



Lilly Endowment Annual Report

2013

Board of Directors

Thomas M. Lofton

Chairman

Daniel P. Carmichael

Craig Dykstra

William G. Enright

Charles E. Golden

Eli Lilly II

Mary K. Lisher

N. Clay Robbins

David N. Shane

Officers

Thomas M. Lofton

Chairman

N. Clay Robbins

President & Chief Executive Officer

Sara B. Cobb

Vice President

Education

Christopher L. Coble

Vice President

Religion

Ace Yakey

Vice President

Community Development

E.G. White

Vice President

Finance

Diane M. Stenson

Vice President & Treasurer

David D. Biber

Secretary

About Lilly Endowment

Lilly Endowment Inc. is an Indianapolis-based private philanthropic foundation created in 1937 by three members of the Lilly family—J.K. Lilly Sr. and sons J.K. Jr. and Eli—through gifts of stock in their pharmaceutical business, Eli Lilly and Company.

Gifts of stock in Eli Lilly and Company remain the financial bedrock of the Endowment. We are, however, a separate entity from the company, with a distinct governing board, staff and location.

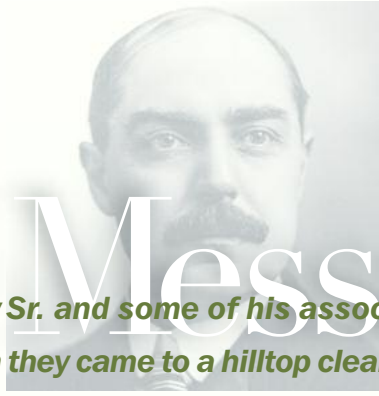
In keeping with the wishes of the three founders, Lilly Endowment exists to support the causes of community development, education and religion. The Endowment affords special emphasis to projects that benefit young people and that promote the causes of philanthropy and volunteerism.

The Lilly family's foremost priority was to help the people of their city and state build a better life. Although the Endowment also supports efforts of national significance and an occasional international project, we remain primarily committed to our hometown, Indianapolis, and home state, Indiana.



Cutting a Lookout

2	Executive Message
4	With a View to the Future Unique Region Makes New Plans
9	SAVI to Sharpen Data “Snapshots”
10	Taking Stock of the Stacks
13	Planning for Opportunity: Grants to Indiana Colleges Offer Grads New Vision
17	Study of Employment Bright Spot Yields Innovative Strategies
19	Gathering Data to Advance the Dream
21	Examining Ways to Make Ministry Affordable
24	Re-imagining Youth Theological Education (and Analyzing What Works)
26	Community Assessment Leads to More Spiritual YMCAs
28	Finances and Grantmaking
29	Auditor’s Report
35	2013 Grant Approvals
	Community Development and Philanthropy
	Education and Youth
	Religion
50	Grant Guidelines and Procedures
52	Acknowledgments



Executive Message

More than 75 years ago, the late J.K. Lilly Sr. and some of his associates were hiking through the southern Indiana woods when they came to a hilltop clearing—a man-made window in the forest that opened up a spectacular view. “Always cut a place for a lookout,” Mr. Lilly advised the others. “Always have a vista.”

Mr. Lilly’s advice has remained a steadfast principle at Lilly Endowment. Aided by research, evaluation and opportunities for reflection, the Endowment’s leaders have regularly “cut a place for a lookout” to assess the impact of grant decisions and ensure that funds are allocated in ways that align with the founders’ values and intentions. Throughout the years, the Endowment’s board, officers and staff have maintained a deep commitment to purposeful grantmaking in the areas that J.K. Lilly Sr. and his two sons, Eli and J.K. Jr., prioritized when they established the Endowment in 1937: community development, education and religion.

Similarly, the Endowment has encouraged its grantees to “always have a vista” by helping them engage in purposeful introspection, conduct and analyze research to aid their decision-making, and regularly assess where they have been and where they are as a means to sharpen their visions and plans for future action. We believe that the support provided for these purposes has resulted in much deeper and broader impact.

In education, the Endowment for more than 25 years has funded opportunities for reflection and renewal for Indiana educators through its Teacher Creativity Fellowship Program. Similar programs have been estab-

lished for pastors, human service and youth workers, artists and arts administrators. Together, these programs enable dedicated professionals to take reflective breaks that replenish their physical, emotional, creative and spiritual resources and result in more enthusiastic teaching, more vibrant congregations, more effective social and youth work, and more creative art.

In community development, the Endowment’s GIFT (Giving Indiana Funds for Tomorrow) initiative, created in 1990, has helped establish community foundations that focus on the local priorities and needs of each of Indiana’s 92 counties. Several stages of this initiative have encouraged these foundations to take stock of their strengths and challenges and determine their key needs for future viability and impact. Endowment support also has helped dozens of charitable organizations, ranging from museums and arts institutions to human service agencies and universities, engage in studies to assess the feasibility of capital campaigns and other proposed programs and activities.

In religion, an expansive research agenda, coupled with opportunities to act, has enabled religious institutions to examine their experiences within a wider context. Research studies, such as the National Study of Youth and Religion and follow-up studies on the religious lives of youth and

adults and the Flourishing in Ministry Project, which explores the conditions needed for pastors and their congregations to thrive, identify important emerging trends in American religion. Programs like the Endowment-funded Council of Independent Colleges' Network for Vocation in Undergraduate Education, as well as the Endowment's Early Career Pastoral Leadership Development Initiative, provide support for institutions to draw on these and other research findings to make strategic improvements to their programs and to advance their efforts to deepen and enrich religious life in the United States.

From its beginning, the Endowment also has been interested in how philanthropy can be better understood, encouraged and carried out as well as possible. Much of this interest has been expressed through the Endowment's role in helping found and sustain the Center on Philanthropy at Indiana University. In 2013 the Center was renamed the Indiana University Lilly Family School of Philanthropy when it became the world's first school dedicated to improving philanthropy by increasing awareness and understanding of it through research, education and training.

2013

In 2013 "cutting a place for a lookout" has resulted in a major new strategy to attract intellectual talent and promote economic development in Indiana. An Endowment-funded study conducted for BioCrossroads by the Battelle Technology Partnership Practice examined the research interests and capacities of Indiana's top life sciences companies and research universities. This study revealed many mutual interests and capacities and resulted in the formation of the Indiana Biosciences Research Institute, launched through a public-private partnership led by Indiana Gov. Mike Pence and Eli Lilly and Company Chairman, President and CEO John Lechleiter. The Institute raised \$50 million in 2013 for the first phase of its development, including \$25 million from the state of Indiana, \$10 million from the Endowment and \$15 million from Eli Lilly and Company, Roche Diagnostics, Dow AgroSciences, Indiana University Health and Indiana University.

The stories in this report feature the work of other organizations that also have recently used Endowment funds to "cut a place for a lookout." They are accounts of how Endowment funding has enabled these organizations to take time for reflection, engage in pertinent research and analysis, evaluate their impact, and strategically plan for the future. Following these stories is a list of all the grants the Endowment approved in 2013.

We are deeply grateful for our grantees' tireless efforts to improve the quality of life in our city, state and nation and for their commitment to the purposeful use of the funding the Endowment provides them. We know well that their talent, energy and dedication are essential to the accomplishment of our common aims.

We also continue to be inspired by both the extraordinary generosity of the Endowment's founders and the wisdom with which they approached their philanthropy. Through their thoughtful benevolence, this foundation, which was established during the Great Depression, has disbursed \$8.2 billion in grants since its founding. Our commitment to ensuring that the Endowment's operations and grantmaking remain consistent with their values and vision is resolute.

In closing, we note the retirements of Daniel Riley, the Endowment's longtime director of data systems, and Richard Ristine Jr., program director in community development, who during their tenures made valuable contributions to the Endowment's work.



Thomas M. Lofton, Chairman



N. Clay Robbins, President & Chief Executive Officer

WITH A VIEW TO THE FUTURE

Unique Region Makes New Plans



H heading south out of Indianapolis, the scenery begins to change within about 20 miles. Roads dip into hills, small towns and deep woods throughout southwest central Indiana.

It is an 11-county region with a spectacular landscape, home to the state's largest concentration of state forests, parks, lakes, and protected fish and wildlife areas.

But just as striking as the panoramic views are the impressive educational, community and business strengths in Brown, Crawford, Daviess, Dubois, Greene, Lawrence, Martin, Monroe, Orange, Owen and Washington counties.

It is the only region in the state with a major research university—Indiana University in Bloomington—and a nearby federal lab at the Naval Support Activity Crane, a U.S. Department of Defense center of excellence in strategic systems support, special missions, weapons and technology support. The third largest naval installation in the world, NSA Crane supports more than \$2 billion annually in defense contracts. More than 1,100 engineers work at NSA Crane, and Martin County, where the base is located, has one of the highest concentrations of science, technology, engineering and math-related jobs in the nation.

Together, the university and NSA Crane employ more than 15,000 people, and the nearly 20 companies that support NSA Crane employ an additional 2,000. There also is a significant life sciences presence in the region, with companies like Cook Group Inc., Baxter and Boston Scientific. Information

Accessible by trail, Brown County State Park's Hesitation Point provides a striking vista of the park and surrounding region. Indiana's largest, most popular park attracts millions of visitors per year.

technology companies call the region home, as do manufacturers such as furniture and electronics supplier Kimball International in Jasper.

Along with IU, Ivy Tech Community College has worked as a local source for education and training. Brown County has long been a tourist destination, and more recently, French Lick with its casinos and nearby West Baden Springs Hotel have captured a growing segment of the travel and hospitality industry.



Leveraging shared resources

In 2012 Lilly Endowment gave a \$50,000 planning grant to the Central Indiana Corporate Partnership (CICP) Foundation, which supports the charitable and educational programs and activities of CICP, to conduct a study of the region and analyze its assets, resources, strengths and weaknesses.

Paul Mitchell, who leads CICP's energy cluster initiative, Energy Systems Network, directed the study to catalog the region's prospects and determine if there was sufficient interest to develop a more comprehensive plan.

As a former policy director for economic development, workforce and energy during Indiana Gov. Mitch Daniels' administration, Mitchell was aware of the region's strengths, but he wasn't sure that leaders in the region realized just how rare and unique their combined assets could be—or whether they would be interested in joining forces.

"We knew there was a lot of potential in this part of the state," Mitchell says. "We didn't know if the community leaders themselves would come together and have the kind of reciprocity that you see in successful regional efforts."

But the initial planning grant revealed optimism from local leaders and coincided with the expansion of highway I-69 from Evansville to points near Crane and Bloomington. The longest contiguous new terrain interstate construction project in the country would put the region in an enviable position to attract new development.

With a second planning grant of \$650,000 from the Endowment in 2013, Phase II of the planning is underway, with a steering committee of regional leaders and stakeholders invested in the southwest central Indiana region leading the effort.

Tucked amid the trees in Martin County, Naval Support Activity Crane employs more than 1,100 engineers and supports more than \$2 billion annually in defense contracts.

“This is a group that is really excited and dedicated to approaching regional strategic planning,” Mitchell says. “I think they are motivated to build on those assets and market themselves as a world-class region.”

Dan Peterson, vice president of industry and government affairs of the Cook Group and chair of the planning initiative’s steering committee agrees. “The companies in this region face many similar opportunities and challenges.

We’ll definitely accomplish more if we think regionally and work together.”

Clear objectives and common goals

It is a region that Becky Skillman knows well. Born and raised in Bedford, the county seat of Lawrence County, Skillman started her career in public service as county clerk and later represented five counties in the region as state senator.

After two terms as Indiana’s lieutenant governor, Skillman is back to work in familiar territory as president and CEO of Radius Indiana, a regional economic development

partnership working to generate high-quality jobs and raise the standard of living in the area. She’s also on board as an enthusiastic member of the planning initiative’s steering committee.

“This region shares so much in common,” Skillman says. “You only need look at the commuting patterns of the workforce to see how connected we are,” Skillman says, noting that workers at NSA Crane, IU, Cook or Kimball may commute for up to two hours and may traverse more than one county to get to high-skilled, high-paying jobs.

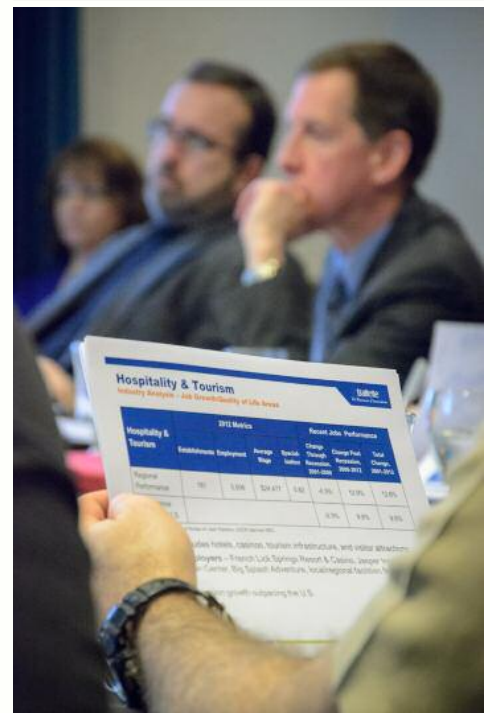
“Another asset that ties us together is the vast number of state and federal lands open to the public across our counties,” Skillman says. “We would love to be known to the nation, and to the world, as a center of innovation and natural beauty.”

Phase II of the plan will include

creating clear objectives and a timeline for developing entrepreneurial clusters in life sciences, energy, defense and information technology. Goals also include aligning education and workforce development programs with employer requirements, studying how federal laboratories connect with communities around the country, and enhancing technology transfer through stronger linkages between the federal laboratory at NSA Crane and research and business development activities at IU.



Cook Medical’s world headquarters in Bloomington is home to nearly 2,500 employees. That’s more than the total population of the nearby town of Spencer, Ind. (RIGHT) The planning initiative’s steering committee meets regularly to discuss southwest central Indiana’s opportunities and assets, including the region’s growing hospitality and tourism industry.



As a member of the steering committee, Skillman traveled throughout the region with Tina Peterson, president and CEO of the Community Foundation of Bloomington and Monroe County, conducting “listening sessions” in communities served by 11 community foundations.

Each community foundation within the region is tackling different challenges in different ways, but each ranks education, workforce development, employment and quality of life as top priorities, Peterson says.

That’s true even in Bloomington, where IU has long provided both an economic and cultural base, says Bill Stephan, vice president for engagement at IU. Attracting and retaining high-skilled employees to work at the university and feed entrepreneurial growth in Bloomington, for example, has been an ongoing issue.

“We have a world-class university in a region with a great quality of life, but it’s still a struggle to attract and retain the necessary talent,” Stephan says. “We’re excited to bring IU’s vast intellectual and creative resources to the table as we work together to create a comprehensive plan for our region.”

Interesting demographic challenges exist across southwest central Indiana. Twenty-five school corporations serve the region, which has a total population of 400,000 people spread across a mostly rural area. There are 48 incorporated towns and cities; only three have populations of more than 12,000, with Bloomington the largest at 81,000, followed by Jasper with 15,000 people.

Yet the region also is just an hour away from three major metropolitan areas, including Indianapolis, Cincinnati and Louisville.

“We sit right in the middle of everything, a heart with all these different arteries,” Tina Peterson says. “We have all been part of regional efforts but have not formed an identity of our own. We just haven’t had the opportunity to bring those resources together, and that’s really what the Endowment grant allows us to do.”

It is unlikely that a similar effort could have been undertaken without the grant, Skillman adds. “These are rural counties with limited funding,” she notes. “We recognize that this is a very rare opportunity.”

Hope and opportunity

While investment in the southwest central Indiana region planning effort is new, the Endowment’s support for leveraging regional resources to create greater opportunities is not.

More than 23 years ago, the Endowment embarked on five phases of the Giving Indiana Funds for Tomorrow (GIFT) initiative, which helped launch or support community foundations that serve every one of Indiana’s 92 counties.



Battelle Technology Partnership Practice Senior Program Manager Deborah Cummings shares research findings and facilitates a steering committee discussion of the region’s economic development strategy.

Those community foundations—including those in the southwest central Indiana region—make a local impact, serving as conveners on community needs and as vehicles for formulating strategies and marshalling resources. Over time, the assets of the community foundations regularly participating in the GIFT initiative have grown—from approximately \$30 million in 1990 to more than \$1.5 billion today—proving that the community foundation model

has been an effective way to enhance the prosperity and quality of life in Indiana communities.

Building on that success, the Endowment in 2007 began a series of efforts to work with selected community foundations to help Indiana communities maximize compelling opportunities and distinctive advantages in their regions.

The first was a strategic collaborative initiative called Economic Opportunities 2015 (EcO15), designed among other things to take fuller advantage of the location of a new Honda manufacturing plant and the expected expansion of the operations of Cummins Inc. in a 10-county region of southeastern Indiana. Spearheaded by the community foundation in Columbus, EcO15 has

addressed critical education and workforce development issues in the region and helped align education and workforce development programs with employer needs.

In 2009 the Endowment worked with the community foundation in Fort Wayne to create the Talent Opportunity Success 2015 (TOpS) initiative to expand the availability of high-skilled workers for an 11-county northeast Indiana region. While TOpS has benefited a broad range of constituents, it was designed to have a special focus on the region's significant defense and aerospace industry. That same year, the Endowment helped the Kosciusko County Community Foundation establish the OrthoWorx initiative focused on maximizing orthopedics-related opportunities in the Warsaw community, which is known as the Orthopedics Capital of the World. OrthoWorx has given orthopedics companies a venue for shared community goals, educational efforts and philanthropy.

It's still early in the planning process, and the southwest central Indiana region has different geography and resources, but strategic partnerships among the strong community foundations, educational institutions and the corporate community can provide similarly successful results, says CICP President and CEO David Johnson.

"The region stands to gain an identity and a brand that will help define it for the future. What is this region going to be known for? What is its potential for economic development?"

Those are questions these efforts ask people to consider, according to Johnson. "It forces people to stand back and consider their future, but it's also a validation of potential and of hope and opportunity," he says.



Steering committee members Becky Skillman (LEFT) and Tina Peterson traveled throughout the region to conduct "listening sessions" with local residents. "We would love to be known to the nation, and to the world, as a center of innovation and natural beauty," says Skillman.

SAVI to Sharpen Data “Snapshots”

SAVI, the high-tech tool with the very long name (Social Assets and Vulnerability Indicators), is preparing to mark its 20th anniversary with enhancements to the visual “snapshots” it provides of some 2,000 Hoosier communities. A new dashboard function will package information in a way that users will find easy to consume and digest. And that’s only the beginning: “We’re also working on a feature within SAVI that adds commentary and analysis of the data,” says Demetrius Glover, director of research and information resources at United Way of Central Indiana (UWCI). “It will put words and comments as meat around the bones of the statistics.”

The statistics in question include data gathered from dozens of sources such as government agencies, faith-based groups, social service organizations and census reports. When fed into the system at The Polis Center at Indiana University-Purdue University Indianapolis—which contracts with SAVI data providers and develops and maintains the database—the information produces a detailed glimpse of the social, physical and economic conditions in a given community, neighborhood, zip code or other geographic location. Users gain insights into an area’s resources and needs and can make data-informed decisions based on those insights.



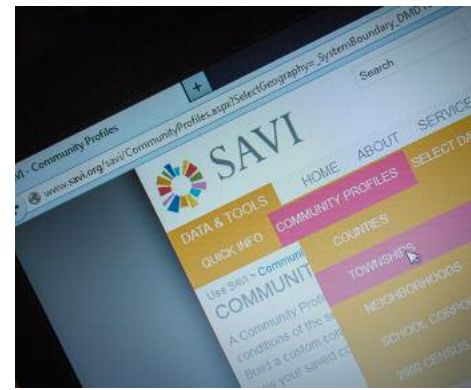
“Nonprofit organizations today are expected to support their assumptions and beliefs with hard facts,” says Glover, who describes UWCI as the bridge between the professional researchers at The Polis Center and the nonprofit sector. “SAVI helps nonprofit groups know if they are targeting the right people in the right neighborhoods with the right services.” Agencies that can present “hard facts” to validate the impact of their work have an edge when competing for donor dollars, according to Glover. “The nonprofit agency that builds the best argument is likely to do better in a competitive funding market.”

Currently, 62 percent of UWCI agencies maintain SAVI accounts and regularly use the online database. An additional 23 percent frequently contact Glover’s research department for assistance in using SAVI’s higher-level functions. Those numbers are likely to increase because UWCI has earmarked

part of a recent Endowment grant to support efforts to boost awareness of SAVI within and beyond central Indiana. The Endowment, an initial SAVI funder, has invested \$3.6 million in the database over the past 20 years. “We want to educate more people on how to access and use the tool,” says Glover. UWCI also plans to add data analysis to the curriculum of its Nonprofit Training Center that teaches organizations how to operate more efficiently. “Understanding community-level statistics is helpful as agencies make decisions and engage in strategic planning.”

A longtime user of SAVI is the Indianapolis Neighborhood Housing Partnership (INHP), a 25-year-old organization that works with several partners to increase housing opportunities in the city and serves as a catalyst for neighborhood development and revitalization. Of particular value is the dynamic nature of the data that SAVI provides. Because new information constantly flows into the system, INHP and its partners—lending institutions, real estate agents, economic development groups—have an up-to-date snapshot of an area. Partners can use the snapshot to determine needs, resources and investment potential.

“You can go to SAVI and access data about a community’s housing stock, the rate of home ownership, the age of the population and income statistics,” says Moira Carlstedt, president of INHP. “You can learn an awful lot about a neighborhood, and you can use that information to identify challenges and opportunities and make decisions. To be able to turn to SAVI is incredibly valuable. We see it as a community asset that helps us reflect on yesterday, understand today and prepare for tomorrow.”



(LEFT) Up-to-date information from SAVI helps Moira Carlstedt, president of the Indianapolis Neighborhood Housing Partnership, analyze opportunities and challenges in the communities INHP serves. (ABOVE) A screenshot of the SAVI database.

Taking Stock of the Stacks



In the decade between Jackie Nytes' departure from the Indianapolis Public Library (IPL) as chief financial officer and her return as chief executive officer in 2012, "the world changed," she says.



To keep pace with the “world” it serves, IPL clearly had some catching up to do. Among the challenges Nytes encountered after her 10-year hiatus: Facilities had aged, populations had shifted, property tax controls had come into play, and technology had advanced at warp speed. “Libraries change because society changes,” explains Nytes. “This was a very different place than it was when I left it.”



The time was right to pause, take stock and draft a strategic plan based on substantive data and community input. Supported by two Endowment grants totaling \$300,000, Nytes and her staff engaged experts, recruited research partners and convened task forces. Their goals were to learn what the community needed from its library, determine how well the library was meeting those needs, and design a plan to close the gap. “We wanted to make sure that the actions we take and the choices we make are in response to the community’s priorities and concerns,” says Nytes.

(OPPOSITE) Indianapolis Public Library CEO Jackie Nytes reviews a draft of the library’s new strategic plan with patrons at the Garfield Park Branch. In 2014 she will host similar discussions at each of the library’s 23 branches.

(ABOVE) Dahvion Johnson, age 3, plays educational computer games at one of the Garfield Park Branch’s kid-friendly computer stations.

(RIGHT) Southport Branch patron Betty Holt gets help setting up her e-reader from Alex Hampton. Hampton visits each branch twice a month to run the library’s “Tinker Stations,” which give patrons an opportunity to try out unfamiliar electronic devices and have their technology questions answered.

The in-depth study, now wrapping up, has dispelled some assumptions and confirmed others. For starters: “The Internet is not going to replace us,” Nytes emphasizes. “There is a mythology out there that claims since people have the Internet, nothing else matters. We know that’s not true, but





The library's strategic planning process included in-depth research and lots of community input. "We wanted to make sure that the actions we take and the choices we make are in response to the community's priorities and concerns," says Nytes.

Community members use the library in many ways, from accessing the library's e-book collections to using library branches as office space to taking advantage of long-standing traditions like children's story time.

it's been important for us to validate that the community has needs that are logical for us to fill." A second false assumption is that libraries today should purchase fewer books and more

desktop computers. To the contrary, trends indicate that "people increasingly are bringing their personal laptops and tablets to the library to access high-speed Internet service that they might not have at home," says Nytes. "So it isn't a question of how many computers we provide, but rather how much space we allocate to desks and chairs so they can sit and use their devices."

As for downsizing the book collection, Nytes clarifies that library branches don't necessarily need fewer books, but they likely need different books depending on the demographics of their surrounding neighborhoods. A software package, purchased with Endowment funds, now analyzes circulation patterns and gives a snapshot of specific materials in demand in specific parts of the community. "As a result, we can reallocate our materials, buy differently in the future and remove items intelligently," says Nytes.

The research project will culminate early in 2014 when Nytes visits each of the library's 23 branches to host a discussion on the findings and the strategic plan in progress. Much of the conversation likely will focus on newly identified needs. These include more group study rooms to serve the growing number of area residents returning to school and a "Tinker Station" that gives technology-shy patrons the opportunity to tinker with e-books and other digital tools. "We want to be a center of innovation," Nytes says. "A lot of people need a guide on their digital journey, and we've found that to be a logical role for us."

Even as IPL's data-driven study has brought to light emerging needs, so has it endorsed the importance of familiar services. "All the demographic work we've done has reaffirmed our commitment to early childhood literacy," assures Nytes. "When it comes to reading and reading readiness, we are a key player in that initiative. You might say it's one of our core businesses...and that will never change."



Grants to Indiana Colleges Offer Grads New Vision



Strongly rooted in its evangelical Christian faith and surrounded by farmland, Taylor University, a liberal arts college with just 2,000 students in tiny Upland, Ind., may seem like an unlikely place to grow future entrepreneurs. But that's just the vision Taylor has focused on, based on months of painstaking introspection, a thoughtful look at the dreams of students and alumni, and the realities of today's job market.

"We concluded that our efforts to help create more meaningful employment in Indiana would be best spent by nurturing the seeds of entrepreneurship," says Ben Sells, Taylor's vice president for university advancement.

In 2014, with the help of a \$1 million grant, Taylor will launch Promising Ventures: Creating Homegrown Opportunities, a new strategic initiative designed to steer large numbers of Taylor grads away from simply finding a job in Indiana and toward something bigger. Taylor officials hope that creating a richer entrepreneurial culture will inspire dozens of students and young alumni to launch or join startups.

"We've got an opportunity to lift the whole state of Indiana by doing good," says Taylor President Eugene B. Habecker. "We think there will be a lot more fruit from the seeds we are planting now—and we're not even sure what that will be, exactly. But we do know it will be a rich harvest."

The Taylor plan is just one among a broad range of proposals funded by Round III of the Endowment's Initiative to Promote Opportunities Through Educational Collaborations, through which \$62.7 million in grants was awarded to Indiana's 39 accredited colleges and universities in 2013. The grants range from \$1 million at smaller institutions to up to \$5 million at Indiana's largest higher education institutions.

The initiative's aim, which dates back to Round I in 2003, is to help Indiana colleges and universities expand opportunities for their graduates to find meaningful employment in the state.

Before making the latest round of grants, the Endowment urged the colleges and universities to think imaginatively and develop school-specific strategies to

(ABOVE) Taylor University undergrads Kelly Hosford and Alyrica Hecos study in the atrium of the Euler Science Complex, a state-of-the-art building for biology, chemistry, computer science, engineering, physics, math and environmental science students.





Taylor undergrad and entrepreneur Will Sevens (ABOVE AND PREVIOUS PAGE) shares an update on his startup, Membands, and solicits business advice from fellow student entrepreneurs. Membands sells silicone wristbands with scripture verses imprinted on them.



address the initiative's aim. To kick-start their thinking, in 2012 the Endowment awarded each of the 39 colleges and universities planning grants in amounts ranging from \$50,000 to \$150,000, based on enrollment, and totaling \$2.55 million.

A persistent problem

Despite a steady supply of four-year college graduates emerging from Indiana campuses, Indiana ranks very low among the states in the percentage of its adult working-age population that has a bachelor's degree. Just as troubling: Indiana's average per capita income has declined over the past several decades. In 2011 Indiana ranked 40th among the states in per capita income, with the average resident bringing in \$36,342 from all income sources, which is 86 percent of the national average of \$42,298. Indiana ranked 30th among the states in 1980, which itself was a decline from 21st in 1950.

Since Round I of the initiative more than a decade ago, the Endowment has been helping Indiana colleges and universities collaborate with organizations in other sectors to create ambitious, strategic solutions to these persistent problems. Reports from the colleges and universities showed that, in many cases, activities from the initiative's first round had a significant and positive impact on both students and employers in their communities. Many institutions reported making lasting improvements to their internships and placement programs. To help colleges and universities secure those gains, the Endowment funded Round II of the initiative in 2008.

Still, reports persisted that college graduates struggle to find jobs within the state that are suitable to individuals holding a bachelor's degree. So in 2011 the Endowment provided a grant to the Central Indiana Corporate Partnership (CICP) Foundation to commission a research study from Battelle Technology Partnership Practice to find out why.

The study looked at the quality and quantity of employment opportunities available in Indiana, the education and skills needed to qualify for them, and how employers communicate job opportunities to those seeking jobs.

ENACTUS (Entrepreneurship in Action), a club for Taylor students with entrepreneurial interests, created and runs Marketplace, a website where students can order groceries online and have them delivered. Meghann Bowman, vice president of ENACTUS, demonstrates how Marketplace works.



Among the findings: Indiana lags the nation in the availability of high-skilled jobs. With a few key exceptions, Indiana's economy is adding these jobs at a slower pace than the rest of the country. Moreover, many graduates do not have the required majors or other credentials for the high-skilled jobs that are available.

From research to proposals

During the planning phase, colleges and universities were asked to ponder the lessons they had learned from the Endowment's prior grants, as well as the current effectiveness and impact of their internships and placement programs. They were asked to consider the experiences of their alumni in seeking employment in Indiana, changes in education, the economy, and expectations, as well as what their institutions could do, given their capacity, mission and constituencies.

"Giving birth to an idea is hard," says Steven Broad, assistant professor of mathematics and computer science at St. Mary's College in South Bend.

At St. Mary's, the college used the Endowment's planning grant of \$50,000 to fund several faculty groups who pursued in-depth—but very different—ideas about how to increase

Housed in the college's Department of Mathematics and Computer Science, the data science program focuses on creating jobs in the

"big data" field. Supported by a \$1 million grant, the new program will produce graduates who are capable of helping companies find solutions for the vast amount of data in businesses ranging from healthcare to manufacturing and higher education.

As part of their research, Broad and his colleagues met with Indiana business leaders in the field who discussed the dearth of qualified candidates. They looked at industry estimates of 4.4 million jobs worldwide by 2014—including up to 1.9 million in the United States—with as many as one-third unfilled due to lack of people trained in the kinds of mathematical and computing skills needed for careers in big data. Snaring a share of those jobs for Indiana could make a difference, Broad says.

Broad found the Battelle report sobering. "We are losing talented folks," he says. "It's the perception of

students that there are no opportunities here. There are interesting things happening in northern Indiana, but if students don't know about the opportunities, or understand the opportunities, we will continue to lose them to



opportunity for students. In the end, the group led by Broad was chosen to put forward its proposal to direct funds toward a new master's degree program in data science.

Purdue graduate student Fumitaka Ohno works on a power grid system that bundles energy from multiple sources and efficiently distributes it to communities.

(RIGHT) A professor and his students build an electric recumbent tricycle. Purdue students hope to commercialize their research and bring new products to market.

(ABOVE RIGHT) The planning phase was a "valuable exercise" that led departments at Purdue to work together more collaboratively, says Suresh Garimella, Purdue's chief global affairs officer and the Goodson Distinguished Professor of Mechanical Engineering.

the East and West Coasts. And if we lose them, we won't see them again."

St. Mary's Provost and Senior Vice President for Academic Affairs Patricia Fleming says taking the time to think through what fit the needs of St. Mary's—and Indiana—made all the difference, especially at the small liberal arts school where faculty typically carry a heavy teaching load that leaves little time for creating new initiatives.

"The planning phase of the grant process allowed us to pause and figure out what's right for us and right for Indiana," Fleming says.





During the University of Southern Indiana's Technology Commercialization Academy, business and engineering students work with faculty members to develop ideas and strategies using Naval Surface Warfare Center Crane patents.

At the University of Southern Indiana (USI) in Evansville, the planning grant allowed USI leadership to reflect on past successes and challenges associated with the earlier Endowment grants and seek new information from the Battelle report, as well as surveys and interviews with community leaders, students, faculty, the employed and unemployed.

“The planning grant process allowed us a moment of reflection, to think through not just what would be possible but what would be sustainable.”

The resulting plan includes the establishment of an undergraduate Career Readiness Program and creation of the Eagle Innovations Accelerator, a new entity designed to commercialize innovations as a means to expand job creation and growth. USI also will use its \$3 million Endowment grant to expand its existing cooperative education and internship programs and enhance an existing partnership with the Technology Commercialization Academy, a USI-Naval Surface Warfare Center Crane partnership initiative.

Having the time and funding to analyze the current employment landscape for college students was a luxury that is all too rare in the grant application process, says USI President Linda L. M. Bennett.

“Throughout the process, what I saw was increasing clarity,” Bennett says. “The planning grant process allowed us a moment of reflection, to think through not just what would be possible but what would be sustainable.”

At Purdue University, a major research university in West Lafayette, the plans are big and ambitious: to transform Indiana, with the help of a \$5 million grant,

into a magnet for high-tech jobs.

That large-scale goal required some equally large-scale preparation, including mining and analyzing data and gathering input from numerous sources, according to Suresh V. Garimella, Purdue’s chief global affairs officer and the Goodson Distinguished Professor of Mechanical Engineering.

During the planning phase, Purdue sought input from more than 20 entities on and off campus, from its own Krannert School of Management to regional campuses in Fort Wayne and northwest Indiana and major employers such as Dow AgroSciences and Chrysler Group.

Purdue found that second-stage and larger companies offer tantalizing job prospects for its graduates and the

greatest potential for growth, so the planning team focused on helping those companies create jobs in higher paying hi-tech and STEAM fields—the highly touted STEM (science, technology, engineering and math) fields plus Purdue’s own addition of “A” for agriculture.

Research and discussions during the planning phase have had a lasting impact at Purdue, changing Purdue’s culture when it comes to entrepreneurship, commercialization and innovation, Garimella says.

“Departments that had not collaborated in the past were brought together in the planning phase and are now working together on the grant as well as seeking other collaborative opportunities,” he says. “It was indeed a valuable exercise.”

Study of Employment Yields Innovative Strategies

Bright Spot

There's a bright spot in Indiana's employment landscape: information technology.

The Battelle Technology Partnership Practice report, "Indiana's Competitive Economic Advantage: The Opportunity to Win the Global Competition for College Educated Talent" notes that, in general, Indiana does not have available enough high-skilled, high-wage jobs for the number of Indiana college graduates.



But the report also showed that information technology (IT) is a sector that stands out as a huge field of opportunity for Indiana's college grads, with the supply of highly attractive jobs clearly exceeding the supply of qualified applicants.

That finding piqued the interest of the Central Indiana Corporate Partnership (CICP) and TechPoint, its technology growth initiative.

With a 2013 grant from the Endowment to the CICP Foundation, CICP and TechPoint explored the Battelle study findings and conducted additional research specific to the IT sector. Building on this research, TechPoint piloted a first-of-its-kind talent recruitment program called IndyX, aimed at attracting and retaining skilled individuals

by connecting them to the Indianapolis community and thousands of open jobs in area technology companies.

Among TechPoint's findings: Indianapolis IT jobs are growing at three times the national average, with at least a dozen tech company acquisitions or initial public offerings since 2007 that yielded more than \$4.5 billion in market value and more than 3,500 jobs. Companies in the Indianapolis area like Apparatus, which builds and manages enterprise IT solutions, posted more than 9,000 technology-related jobs in 2013 alone.

Software application developers, web developers, database administrators and graphic designers are most in demand, as well as college graduates with computer science and software engineering degrees.

Apparatus employs more than 150 professionals at its office near downtown Indianapolis and is growing rapidly. "Attracting the best and brightest to Indianapolis is crucial to our success," emphasizes the company's founder and CEO, Kelly Pfledderer.



“We’re always looking for top technical talent. Attracting the best and brightest to Indianapolis is crucial to our success,” says Kelly Pfledderer, the founder and CEO of Apparatus, one of the fastest growing private companies in the country.

In TechPoint’s survey of 26 local tech companies, 85 percent reported that hiring is a challenge, with 58 percent finding competition for tech talent in Indianapolis to be at a very high level, according to Mike Langellier, TechPoint president and CEO.

“Executives at area growth companies continue to tell me that one of their critical needs is recruiting skilled talent. Most companies report that hiring is difficult. One CEO described finding talent as ‘impossibly difficult,’ and most said the situation has had a negative impact on growth,” Langellier says.

“This is a community hungry for talent.”

Connections

The IndyX pilot hopes to feed that hunger in two ways. IndyXpat is an events and communication program designed to create a buzz among 24- to 40-year-old Hoosier expatriates and out-of-towners. An IndyXpat event in December, for example, targeted those visiting friends and family in Indianapolis for the holidays, showcasing the local tech community in a festive atmosphere, complete with a dueling piano bar.

Eighty-one percent of companies surveyed by TechPoint indicated that at least eight out of 10 of their tech employees are from Indiana or have an Indiana family connection. “Connection to Indiana is where we are winning,” Langellier says. “We need to connect more people to the Indiana tech community.”

IndyXtern is a “summer in the city” immersive internship program for tech-skilled college students who will work for the summer at some of the top tech companies in Indianapolis. Participants will live together with their peers, experience the city with friends, and advance their careers through exposure to guest speakers, company tours and special projects.

Both strategies are built on the idea that if college grads are aware of opportunities, they are more likely to consider Indianapolis seriously as a place to live and work.

Langellier—an Illinois transplant himself who came to Indiana for college, founded a tech company and stayed in the state—is optimistic. “Indianapolis is a next generation city whose future has not been scripted yet,” he says.

Others share that optimism, according to David Johnson, president and CEO of CICP. Members of the Indiana tech community and the Indiana Economic Development Corp. have joined the IndyX effort, too, since it was rolled out in the fall of 2013.

“The Endowment’s funding to help us better understand the IT employment needs and opportunities in our community and to pilot IndyX—along with the significant support of other funders—sends the message to those thinking of returning to Indianapolis that our major philanthropic, public and corporate leaders are here to welcome them,” he says.

Nearly 250 people attended IndyXmas, a social event designed to attract and repatriate out-of-towners who were back in Indianapolis for the holidays. Several tech companies hired individuals they met at the event.



Gathering Data to Advance the Dream



When Cheryl Crazy Bull began her teaching career 32 years ago, her office was a closet in an abandoned building, and supplies were so scarce that her colleagues teased each other about hoarding paper clips. “We didn’t have anything,” she recalls of the early days at Sinte Gleska College on the Rosebud Indian Reservation in South Dakota. “But the founders of the school came to campus every day to encourage us. I was young, and I heard firsthand about their hopes and dreams for the tribal college movement.”

Now president and chief executive officer of the American Indian College Fund (College Fund), an organization that provides scholarships to Native students and financial support to the nation’s 34 accredited tribal colleges and universities, Crazy Bull leads the effort to secure and expand the founders’ dreams. Two past Endowment grants totaling \$47.5 million have helped the College Fund upgrade facilities and develop leadership initiatives at the colleges, which together serve more than 30,000 students. This year a grant for \$1.6 million is helping the College Fund strengthen the schools’ ability to gather, analyze and disseminate information about Native American students and the practices that enhance their classroom success.

“Tribal colleges and universities are unique, and the students who attend them are unique,” explains Dorothy Aguilera-Black Bear, vice president of research and sponsored programs at the College Fund. “At tribal colleges, students can learn about themselves, their history, culture and language while receiving their post-secondary education.” The College Fund’s credo is “educating the mind and spirit.”

The research that Aguilera-Black Bear and her team are gathering—with assistance from student interns—will document the past and forecast the future.

American Indian College Fund staff members David Sanders, Cheryl Crazy Bull and Dorothy Aguilera-Black Bear visit the “Wisdom Keepers” sculpture at the Eiteljorg Museum of American Indians and Western Art in Indianapolis.

“New tools are available that allow us to do predictive analysis that takes into account various barriers to academic success,” says David Sanders, research director at the College Fund. “We’re studying campus populations and asking, what will they look like in 10 to 15 years? We’re making projections about the

“Part of our job at the College Fund
is to bring together those people who don’t have
resources with those people who do. We’re the conduit for that,
and data will help us do it better.”



growth of the American Indian College Fund and asking, how will scholarship programs impact persistence?”

The data that emerge will be useful as the College Fund educates potential donors on the importance of tribal schools and the tuition needs of their students. Some statistics, already available, are alarming. Among them:

- ▶ More American Indians live in poverty than do those in any other ethnic group.
- ▶ Only 13 percent of American Indians have bachelor’s degrees, compared with 30 percent of the overall population.
- ▶ Only 5 percent of students who apply to the College Fund for scholarships can afford to pursue higher education without financial aid.

“The single way many of these students can attend college is by accessing the institutions down the road,” says Crazy Bull, referring to tribal schools located on or near reservations. “Part of our job at the College Fund is to bring together those people who don’t have resources with those people who do. We’re the conduit for that, and data will help us do it better.”

The College Fund distributed more than \$5.3 million in scholarships and program support last year, providing scholarships to more than 6,000 tribal college students. But five times as many students applied for scholarships. Research that measures student progress, tracks graduation rates and reports alumni employment numbers will help the College Fund build a compelling case for donors considering gifts to “the institutions down the road.”

College Fund President and CEO Cheryl Crazy Bull believes that robust student data will improve the College Fund’s ability to live out its credo: “educating the mind and spirit.”



Examining Ways to Make Ministry Affordable

The numbers are disturbing and the impact is huge. In the past 20 years, the average education debt that seminary graduates carry into their first calls has almost tripled, reports Daniel Aleshire, executive director of the Association of Theological Schools (ATS). Student loans exceeding \$30,000 are not uncommon for divinity students, and some graduates are burdened with debts of more than \$100,000. “This is a significant problem that can threaten what seminary graduates can do in ministry,” says Aleshire.

To ease the financial challenges facing future ministers, Lilly Endowment created a pilot initiative in 2012 that encouraged theological schools to step back, research their students’ debt and its implications, and devise plans to ease the debt burden of their graduates. Sixteen theological schools were invited to participate.

This initiative was the logical “next step” in the Endowment’s ongoing effort to strengthen pastoral leadership for Christian congregations. Two earlier projects had laid the groundwork for it: First, a program launched in 2008 probed the economic obstacles facing Indiana pastors; second, a 2009 grant to the Evangelical Lutheran Church in America supported research geared to curbing the high cost of attending an ELCA seminary.

The 2012 pilot program ignited immediate interest and showed enough promise that the Endowment expanded it in 2013 to include 51 additional institutions and asked ATS to serve as project coordinator. The 67 participating

Despite their callings, seminary students can be limited in the types of career opportunities that they pursue because of their financial obligations. It is not uncommon for divinity students to have student loans exceeding \$30,000, and some individuals graduate with more than \$100,000 in debt.



schools, which represent almost a quarter of ATS membership, received grants of up to \$250,000 each to work toward four goals:

- ▶ Explore the levels, causes and implications of student indebtedness on their campuses
- ▶ Experiment with new strategies to lessen theology students' financial burdens
- ▶ Educate future pastors about personal and professional money management
- ▶ Engage partners who can assist in the effort to make ministry affordable

The research that theological schools conducted has further illuminated the magnitude of the problem. In some cases, financial obligations limit the types of career opportunities that pastors can pursue; in other cases, debt dictates whether they can afford to practice professional ministry at all.

"Our students aren't here because they're interested in working on Wall Street," says Gregory E. Sterling, dean of Yale Divinity School. "Many of them understand and accept that they will have to work part time in a secular profession. They know what the beginning salaries are, and they're not deterred by that knowledge. My great concern is this: I don't want to see our graduates in a position that they can't serve a parish or a congregation because they're too far in debt. I don't want debt to disqualify them from doing what they feel called to do."

Although Aleshire describes the student debt problem as "widespread and growing," school leaders previously had few opportunities to discuss the issue in-depth with their peers. This changed in the fall of 2013 when pilot program participants gathered to outline plans and swap strategies. They discussed a range of possible activities that included reducing the number of hours to complete degree programs, broadening sources of scholarships, creating distance learning opportunities, instilling money management skills in students, and appealing to congregations to help pay their pastors' education loans.

"They bounced ideas off each other and recommended resources so everyone wouldn't have to reinvent the wheel," recalls Stephen Graham, ATS senior director of programs and services, who will interact with project directors, catalog their promising practices and disseminate resources through various channels. Early conversation among the grantees quickly dispelled one assumption: "Tuition is not the only thing that drives student debt," says Graham. "Some of the schools that offer full scholarships are seeing their students go into debt because of living expenses and lifestyle choices."

For that reason, Yale has earmarked part of its Endowment grant to survey students to learn the extent of their indebtedness beyond education loans. "In all candor, I'm more worried about their consumer indebtedness than their federal indebtedness because the interest rates are higher and the debts easily can balloon out of control," says Sterling. Yale also will create several financial resources including mini-seminars on financial planning and a semester-long course that will combine the themes of faith, finances and theology. To reach



Many partners are coming together to help tackle the student debt problem, including students, faculty, alumni, and church and religious leaders like Daniel Aleshire (ABOVE), executive director of the Association of Theological Schools.

the widest possible audience, Sterling has enlisted a consultant with degrees from Yale and Harvard Business School to produce a web-based handbook on money management. “The goal is to help students—many of whom live in voluntary poverty during their seminary years—develop fiscal principles that will stay with them throughout their lives and ministries,” he says. “It will be an online resource that will serve not only our students but divinity school students across the United States.”

On other campuses, inviting partners to share in the responsibility of educating future pastors has brought positive responses. Leaders at North Park Theological Seminary asked key stakeholders within the Evangelical Covenant Church to attend a three-day retreat to develop a comprehensive plan to reduce student debt. The group collaborated on a proposal to submit to the Endowment, and each partner claimed a piece of the plan that resulted. The business school at North Park University agreed to assist with the design of curricular and co-curricular learning experiences for ministry students and propose workshops to offer the denomination’s 2,000 pastors already in the field. The Covenant Trust Company, the denomination’s estate-planning service, volunteered to provide one-on-one financial counseling to all incoming seminarians. National Covenant Properties, the entity that allocates funds for church building projects, is considering taking over the student loan program, lowering the borrowing rate and working with congregations to pay down their pastors’ education debts.

“We’ve been talking about this grant project everywhere we go,” says David Kersten, dean of North Park Theological Seminary. “What’s interesting is that the business folks of the church are very interested in the project. Our efforts to raise the financial acuity of pastors seems to have struck a chord, particularly within the donor base of our constituency. It’s opened up a wonderful conversation. I’ve had some people say, ‘Dave, you’re finally doing something that I can help with.’”

Similar conversations with potential donors are part of Yale’s grant project. Sterling plans to recruit a task force that will consider the many aspects of student indebtedness and look for ways to tap underutilized sources of support. These sources will include divinity school alumni and friends who may not serve as pastors but who share a passion for revitalizing Christianity in America. “Church membership has been in decline for 50 years,” Sterling says. “I want to appeal to our partners by asking them: How can we change that? Surely if we force our students to opt out of ministerial careers we will undermine our effort to have an impact in the world.”

Project leaders are optimistic about the anticipated outcomes of their grant programs but are realistic in their expectations. No simple solutions exist, and they know it. “But this initiative is broad enough that it can create a base of sensitivities that becomes normal operating practice in the life of theological schools,” says Aleshire. “Out of this work I hope we’ll see a flattening in the trend line of student indebtedness. We simply cannot let it triple again over the next two decades.”

STUDENT DEBT by the numbers:

85
▶ Incoming students are saddled with \$85 million in educational debt before they enroll in seminary

166
▶ Since 2001 the percentage of incoming students entering seminary with more than \$25,000 of educational debt has increased by more than 166%

19
▶ Since 2001 the percentage of incoming students entering seminary with no educational debt has decreased by 19%

40
▶ More than 1 in 8 students enter seminary with more than \$40,000 in educational debt

20
▶ 20% of all recent ATS graduates incurred an additional \$40,000 in educational debt while at seminary

Re-imagining Youth Theological Education (and Analyzing What Works)

What would theological education look like if it were made from scratch, without a traditional school “recipe” for Christian leadership formation? It might look like the practices developed at some of the 48 seminaries that have participated in the Theological Programs for High School Youth. In 1998 the Endowment noticed that too few young people were pursuing vocations in Christian ministry and created an initiative for theological schools to develop innovative programs that would capture the imaginations of young people and encourage them to explore vocations as Christian leaders.

“The Endowment invited seminaries to invent theological education for youth without any of the baggage of traditional seminary classrooms,” says Kenda Creasy Dean, professor of Youth, Church and Culture at Princeton Theological Seminary. “These programs have been like test kitchens, and seminaries have tried out very different recipes for cultivating Christian leaders.”

Today, more than 15 years after the Theological Programs for High School Youth initiative was launched, 24 of the 48 schools are still continuing their programs and eight church-related colleges and universities have launched similar efforts. Collectively, the programs have touched more than 100,000 youth. More than 22,000 youth have participated in intensive summer theology institutes and leadership experiences.

A recent study conducted by Auburn Theological Seminary found that 20 percent of the young people who participated in these programs have gone on to seminary or intend to do so in the near future, or they have already

started careers in ministry.

With a 2011 Endowment grant, Dean and a team of 14 theological educators initiated an effort to study the youth theological programs to analyze and describe the pedagogical practices that make these programs so effective. The research project will produce at least two books written for pastors, youth ministers and other church leaders.

Teaching and learning

Some themes have emerged, Dean says. Youth learn best by being part of an intentional community with other young people who are interested in exploring deep theological questions. The experience of pilgrimage—whether in the actual wilderness or in a journey of the mind—is a key element of these programs. Experiential learning and service provides important opportunities for young people to try out vocational possibilities and develop leadership skills. Commissioning youth and naming their gifts are transformative. And how youth are received as leaders in their home churches after these experiences is formative.

Jeffrey Kaster has directed the Youth in Theology and Ministry program at St. John’s School of Theology-Seminary in Collegeville, Minn., for 14 years and is part of the research team, writing on the pedagogy of engaging youth in theological reflection. He is convinced that what the youth theological programs do best is engage high school youth intellectually and spiritually, challenging them to think seriously about God, the church and the world.



“We have systematically underestimated the capacities of young people,” Kaster says. “If you treat them as if they can fully participate in the mission of the church, they can do amazing things.”

While the youth theological programs undeniably have had an impact on youth, they’ve also had a powerful impact on staff and theologians, Dean says. Many of the programs are staffed by seminarians and graduate students who are often at just the right stage of life to learn valuable lessons they take into their own vocations. “You learn best what you teach,” she says.

Compass, Gordon-Conwell Theological Seminary’s theological exploration program for high school students, features an intense month-long immersion component. Participants backpack in the mountains or volunteer overseas as they explore calls to Christian leadership and ministry.

“We have systematically underestimated the capacities of young people”

Senior faculty and even towering figures in theology are often completely disarmed by fresh-faced high school students, too. “It turns out that teaching high school students had a profound impact on the way faculty teach in seminary,” Dean says.

“A lot of what we’ve learned and written is not rocket science,” Dean adds. “People who created these programs had the luxury of starting from scratch, with no baggage. The question is, can theological education learn anything from these programs about how to form Christian leaders, or are we so embedded in past practices that we can’t transform ourselves?”

Community Assessment Leads to More Spiritual YMCAs



Shortly after Ken Cavanaugh relocated from Chicago to Fishers, Ind., he attended a chamber of commerce luncheon where he met leaders of the local YMCA. He introduced himself as pastor of the neighboring Fall Creek Community Church and then made an offer they couldn't refuse. He knew the Y needed space for its growing sports programs, and his startup church occupied only a portion of its 10-acre property. "Feel free to use our land," he said. The resulting partnership worked so well that the Y later reciprocated with an offer of its own. Because Y facilities keep abbreviated hours on Sunday mornings, the Y asked if Cavanaugh would like to move his 9:30 a.m. worship services into its gym.

"Churches and Ys strive to serve the spiritual and physical needs of those in their communities," says Cavanaugh, who now leads a Bible study at the Fishers Y and serves on its Christian Emphasis Committee. "Their missions are remarkably compatible."

This recognition of compatibility has sparked similar collaborations throughout the country as many Ys explore ways to reconnect with their spiritual roots. An Endowment grant last year enabled the YMCA of Greater Indianapolis to assess community support for a chaplaincy program at the organization's 14 branches and draft a possible design for the program. "We invited a number of pastors and leaders of para-church groups to give input," says Eric Ellsworth, president and CEO of the association. The response was enthusiastic, and this year a second Endowment grant is helping to implement the program that emerged from the discussions.

"My goal is to have two volunteer chaplains or local Christian leaders at each of our Greater Indianapolis centers to help us do ministry," explains Josh Heaston, hired in June as the association's director of Christian emphasis. The chaplains will provide pastoral care for the organization's 2,100 staff members and be available to address the spiritual needs of the more than 200,000 persons who use the local Y centers each year.

The intent of the chaplaincy program is not to usurp the church's role in the community but to strengthen it. "We're finding that thousands of people come through our doors who aren't part of a church community," he says. "They come to us with their ear buds in; they work out for 45 minutes; and then they leave."

The YMCA takes a low-key approach to ministry and is sensitive to the diverse population that it serves, but it aims to make sure patrons know that they are cared for spiritually. (BELOW) Ken Cavanaugh, a pastor at Fall Creek Community Church, who serves on the Y's Christian Emphasis Committee, introduces himself to Y patrons working out.





That's fine. But we also want them to know that we care about them spiritually. We have mechanisms in place should they want our help with spiritual questions or challenges. In other words, we're far more than a swim and gym place. We're here to love, serve and care for people spiritually as well as physically."

The approach to ministry is low key, and Heaston and his team are sensitive to the diverse population that the Y serves. As an example, at this Thanksgiving's Wishbone 5K race at the Fishers Y, the "recovery table" was managed by members of Cavanaugh's congregation. Their task was to offer healthy snacks and bottles of water to participants in the annual race and offer spiritual support. With permission from the Y staff, "We also made available New Testaments and a list of ideas on how to cultivate gratitude around the Thanksgiving table," recalls Cavanaugh. "We intentionally included ideas for people of faith as well as general suggestions like how to teach kids to be grateful. We understand that we need to do ministry in a way that is respectful of everyone."



(TOP AND INSET) As part of the Y's effort to care for people physically and spiritually, Josh Heaston, the Y's director of Christian emphasis, coaches a youth basketball team.
(ABOVE) Cavanaugh speaks with volunteer trainer Daniel Bangcong outside the Y's chapel.

Finances & Grantmaking

During 2013 Lilly Endowment distributed grant payments of \$270.3 million and approved \$260.8 million in new grants.

Cumulative figures

The generosity of the Endowment's founders has enabled it to disburse \$8.2 billion in grants to 9,036 charitable organizations, most of them in Indiana. Of that \$8.2 billion, \$3.4 billion supported education (41 percent), \$2.7 billion supported community development (33 percent), and \$2.1 billion supported religion (26 percent). At the end of 2013 the Endowment's assets totaled \$7.5 billion.

Grants paid [Chart 1]

In 2013 the Endowment paid grants of \$270.3 million. In this category, education grants accounted for \$127.1 million or 47 percent of the total; religion grants totaled \$75.7 million or 28 percent; community development grants added up to \$67.5 million or 25 percent.

As in previous years, most grants were paid to organizations in Indiana—a total of \$186.4 million (69 percent). Of the payment total of \$270.3 million, \$136.4 million (50 percent) was paid to non-Marion County grantees in Indiana and \$50 million (19 percent) to Marion County (Indianapolis) grantees. Organizations outside Indiana received \$83.9 million or 31 percent, mostly from religion grants.

Grants approved [Chart 2]

During 2013 the Endowment approved 668 grants for a total of \$260.8 million to 529 grantees, 124 new to the Endowment.

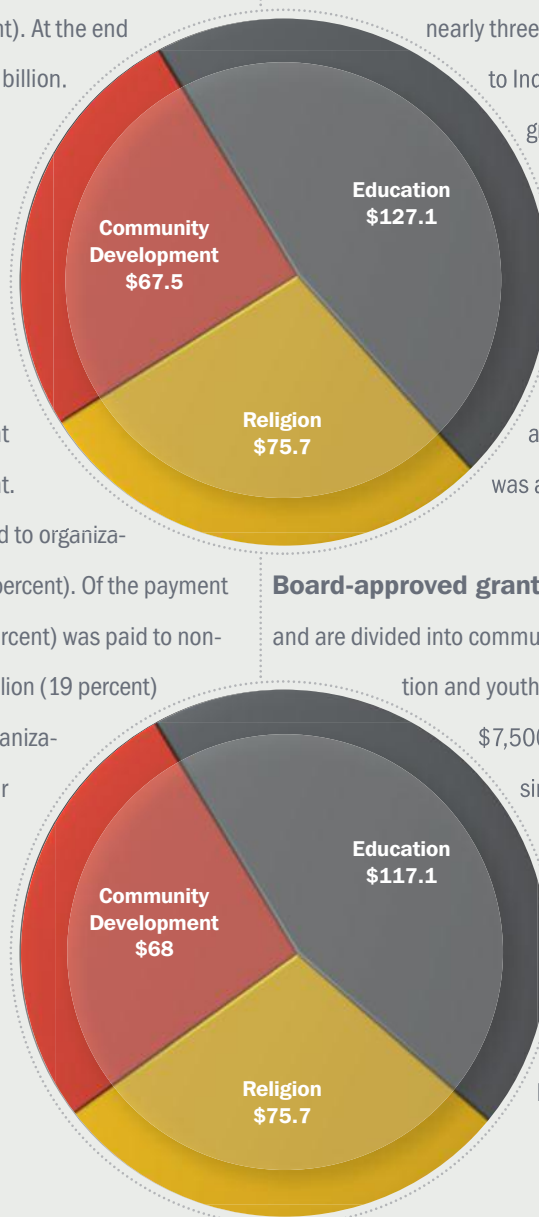
Education grants totaled the most dollars at \$117.1 million or 45 percent of the total. Approvals for religion grants totaled \$75.7 million or 29 percent, while approvals for community development grants totaled \$68 million or 26 percent.

Similar to the geographic distribution of the grants paid in 2013, nearly three-fourths (68 percent) of grants approved went to Indiana organizations. Of the \$260.8 million in grants approved, \$128.6 million (49 percent) was approved for non-Marion County grantees in Indiana and \$48.2 million (19 percent) to Marion County (Indianapolis) grantees. Indiana organizations thus were awarded \$176.8 million (68 percent) of grants approved. \$84 million (32 percent) in grants was approved for non-Indiana organizations.

Board-approved grants are listed in the back of this report and are divided into community development and philanthropy, education and youth, and religion. Discretionary grants of up to \$7,500, authorized by the officers, are listed as a single line item for each division.

The Endowment's match for the charitable contributions of staff, retirees and Board members is reported as a single line item before the total of all grants approved.

"Grant Guidelines & Procedures" are outlined on pages 50-51.





Ernst & Young LLP
Suite 4000
111 Monument Circle
Indianapolis, IN 46204

Tel: +1 317 681 7000
Fax: +1 317 681 7216
ey.com

Report of Independent Auditors

The Board of Directors
Lilly Endowment Inc.

We have audited the accompanying financial statements of Lilly Endowment Inc., which comprise the statements of financial position as of December 31, 2013 and 2012, and the related statements of activities and changes in unrestricted net assets, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lilly Endowment Inc. at December 31, 2013 and 2012, and the results of its operations and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

March 24, 2014

Ernst & Young LLP

Statements of Financial Position

As of December 31	2013	2012
Assets		
Cash and equivalents	\$ 18,432,179	\$ 8,359,719
Dividend receivable	66,478,694	66,478,694
Other receivables	31,975,423	32,121,269
Investments — at fair value:		
United States government and agency, bank, and corporate interest-bearing obligations	49,938,712	82,691,271
Eli Lilly and Company common stock (cost — \$84,798,379 at December 31, 2013 and 2012)	6,919,211,004	6,691,284,053
Diversified equity investments	613,022,235	476,471,345
Other assets	152,869	219,596
	<u>\$ 7,699,211,116</u>	<u>\$ 7,357,625,947</u>
Liabilities		
Amounts appropriated for future grants	\$ 8,849,750	\$ 20,728,500
Deferred tax liability	132,113,781	125,067,113
	<u>140,963,531</u>	<u>145,795,613</u>
Unrestricted net assets	7,558,247,585	7,211,830,334
	<u>\$ 7,699,211,116</u>	<u>\$ 7,357,625,947</u>

See accompanying notes.

Statements of Activities and Changes in Unrestricted Net Assets

Year ended December 31	2013	2012
Income:		
Dividends	\$ 278,065,418	\$ 277,372,909
Interest	219,125	285,550
Total income	278,284,543	277,658,459
Deductions:		
Grants approved	265,259,072	246,185,616
Expenses:		
Program support	6,194,058	6,371,294
Operational support	5,780,931	7,787,573
Federal excise tax	12,593,799	28,078,020
Total grants approved and expenses	289,827,860	288,422,503
Gain on sale of investment	—	309,306
Increase in unrealized appreciation of marketable securities	352,208,280	1,106,838,087
Other income	5,752,288	1,443,053
Increase in unrestricted net assets	346,417,251	1,097,826,402
Unrestricted net assets:		
Balance at beginning of year	7,211,830,334	6,114,003,932
Increase in unrestricted net assets	346,417,251	1,097,826,402
Balance at end of year	\$ 7,558,247,585	\$ 7,211,830,334

See accompanying notes.

Statements of Cash Flows

Year ended December 31	2013	2012
Operating activities		
Increase in unrestricted net assets	\$ 346,417,251	\$ 1,097,826,402
Adjustments to reconcile increase in unrestricted net assets to net cash (used in) provided by operating activities:		
Investment expenses	257,055	246,398
Gain on mark-to-market adjustments on investments	(352,208,280)	(1,106,838,087)
Gain on sale of investment	—	(309,306)
Changes in assets and liabilities:		
Dividend and other receivables	145,846	4,495,053
Other assets	66,727	(21,039)
Amount appropriated for future grants	(11,878,750)	12,036,669
Deferred federal excise tax liability	7,046,668	22,133,513
Net cash (used in) provided by operating activities	(10,153,483)	29,569,603
Investing activities		
Purchases of investments	(192,787,279)	(324,109,009)
Proceeds from sale and maturity of investments	213,270,277	291,580,922
Investment expenses	(257,055)	(246,398)
Net cash provided by (used in) investing activities	20,225,943	(32,774,485)
Net increase (decrease) in cash	10,072,460	(3,204,882)
Cash and equivalents at beginning of year	8,359,719	11,564,601
Cash and equivalents at end of year	\$ 18,432,179	\$ 8,359,719

See accompanying notes.

Notes to Financial Statements

December 31, 2013

1. Significant Accounting Policies

Description of Organization

Lilly Endowment Inc. (the Endowment) is an Indianapolis-based, private philanthropic foundation created by three members of the Lilly family through gifts of stock in their pharmaceutical business, Eli Lilly and Company. The stock of Eli Lilly and Company continues to be the Endowment's most significant asset. The Endowment supports the causes of religion, education, and community development. The Internal Revenue Service has determined that the Endowment is exempt from federal income tax under Section 501(a) of the Internal Revenue Code. It remains a private foundation subject to federal excise tax on net investment income.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States (GAAP). Preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income, expense, and related disclosures at the date of the financial statements and during the reporting period. Actual results could differ from those estimates. Subsequent events have been evaluated through March 24, 2014, the date these financial statements were issued.

Cash and Equivalents

Investments with original maturities of three months or less at the time of purchase are considered to be cash equivalents.

Investments

Investments are stated at fair value in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958, *Not for Profit Entities*. Investments are comprised of equity and fixed income securities, which are recorded at market-quoted fair values. Changes in fair value are recorded in the statement of activities and changes in unrestricted net assets. There are no restrictions on investments.

Realized gains and losses from the sales of Eli Lilly and Company common stock are calculated using the first-in, first-out method of allocating cost.

Facilities and Equipment

Expenditures for facilities and equipment are expensed as paid. The amounts expensed during 2013 and 2012 are not material to the financial statements.

Grants

The Endowment primarily makes grants to organizations that qualify as public charities under the Internal Revenue Code. When distributions are made to organizations other than public charities, the Endowment assumes expenditure responsibility as required under applicable federal law. All grants are approved by the Board of Directors and are accrued when approved.

Income Recognition

Income is recognized when amounts are realizable and earned.

2. Required Distributions

The Internal Revenue Code provides that the Endowment generally must distribute for charitable purposes 5% of the average market value of its assets. The Endowment must make additional qualifying distributions of approximately \$336,000,000, before January 1, 2015, to meet the 2013 minimum distribution requirements.

3. Other Receivables

Other receivables represent the fair value of future cash flows to be received from the Endowment's split-interest agreements. Amounts recorded are subject to subsequent changes in fair value, which would be recorded in the statement of activities and changes in unrestricted net assets.

4. Fair Value of Financial Instruments

The Endowment determines fair values based on the framework for measuring fair value under ASC 820, *Fair Value Measurement*. The following table summarizes fair value information at December 31, 2013 and 2012.

Description	Cost	Quoted Prices in Active Markets for Identical Assets (Level 1)	Observable Inputs (Level 2)	Fair Value (Carrying Value)
December 31, 2013				
Cash equivalents	\$ 10,999,479	\$ 10,999,469	\$ -	\$ 10,999,469
Fixed income securities	50,054,553	10,005,000	39,933,712	49,938,712
Marketable securities	570,450,585	7,532,233,239	-	7,532,233,239
	631,504,617	7,553,237,708	39,933,712	7,593,171,420
Other receivables	-	5,775,989	26,199,434	31,975,423
	\$ 631,504,617	\$ 7,559,013,697	\$ 66,133,146	\$ 7,625,146,843
December 31, 2012				
Cash equivalents	\$ 5,999,265	\$ 5,999,985	\$ -	\$ 5,999,985
Fixed income securities	82,688,922	-	82,691,271	82,691,271
Marketable securities	558,299,943	7,167,755,398	-	7,167,755,398
	646,988,130	7,173,755,383	82,691,271	7,256,446,654
Other receivables	-	5,756,372	26,364,897	32,121,269
	\$ 646,988,130	\$ 7,179,511,755	\$ 109,056,168	\$ 7,288,567,923

Transfers between levels, if any, are recorded at the beginning of the reporting period. There were no transfers between Levels 1, 2, and 3 during the years ended December 31, 2013 and 2012.

The fair value for marketable securities is determined using quoted market values. Fair values of fixed income securities are based on quoted market prices, where available. These fair values are obtained primarily from third-party pricing services. United States government securities represent Level 1 securities, while Level 2 securities primarily include corporate securities. For fixed income securities that are not based on quoted market values, the value is determined by pricing models, quoted prices of securities with similar characteristics, or discounted cash flows. The fair value of other receivables is based on observable inputs using quoted market values and a combination of a market and income approach determined based on future cash flows. Inputs in this valuation methodology include the initial value of the split-interest agreement, the Endowment's interest percentage in the split-interest agreement, annuity percentage per the split-interest agreement, estimated rate of return, and discount rate.

5. Federal Excise Taxes

The Endowment is subject to federal excise taxes imposed on private foundations at 2%, or at 1% if certain conditions are met. The excise tax is imposed on net investment income, as defined under federal law, which includes interest, dividends, and net realized gains on the sale of investments. The Endowment qualified for a 2% excise tax rate for the years ended December 31, 2013 and 2012. Federal excise tax paid on realized amounts was \$5,547,131 and \$5,542,538 for the years ended December 31, 2013 and 2012, respectively.

The Endowment recorded an additional liability of \$7,046,668 and \$22,133,513 for the years ended December 31, 2013 and 2012, respectively, for deferred federal excise tax related to unrealized gains on investments.

The Endowment is subject to routine audits by taxing jurisdictions. The Endowment believes it is no longer subject to income tax examinations for years prior to 2010 due to the three-year statute of limitations.

If incurred, any interest and penalties would be recorded as a component of excise tax.

Grant Approvals

2013



Grant Approvals

Community Development and Philanthropy

Dollar amount approved in 2013

About Special Kids

Indianapolis, IN

Development program and technology upgrade	150,000
--	---------

American Cabaret Theatre

Indianapolis, IN

General operating support	100,000
---------------------------	---------

American Enterprise Institute for Public Policy Research

Washington, DC

General operating support	100,000
---------------------------	---------

Arts Council of Indianapolis

Indianapolis, IN

Art & Soul at the Artsgarden	52,000
------------------------------	--------

Arts assessment initiative	50,000
----------------------------	--------

General operating support	300,000
---------------------------	---------

Atlas Economic Research Foundation

Washington, DC

General operating support	500,000
---------------------------	---------

Central Indiana Corporate Partnership Foundation (CICP Foundation)

Indianapolis, IN

BioCrossroads charitable, educational and scientific programs	3,000,000
---	-----------

Coalition for Homeless Intervention and Prevention

Indianapolis, IN

General operating support	260,000
---------------------------	---------

Crane Technology

Bloomington, IN

Continued support for Crane Learning and Employment Center for Veterans With Disabilities	680,000
---	---------

Crossroads Rehabilitation Center

Indianapolis, IN

Continuation of the Autism Family Support Center	852,130
--	---------

Dance Kaleidoscope

Indianapolis, IN

Costume shop	20,000
--------------	--------

General operating support	100,000
---------------------------	---------

Domestic Violence Network of Greater Indianapolis

Indianapolis, IN

General operating support	225,000
---------------------------	---------

Economic Club of Indiana

Indianapolis, IN

General operating support	10,000
---------------------------	--------

Eiteljorg Museum of American Indians and Western Art

Indianapolis, IN

General operating support	1,147,500
---------------------------	-----------

Federalist Society for Law and Public Policy Studies

Washington, DC

General operating support	150,000
---------------------------	---------

Footlite Musicals

Indianapolis, IN

Structural repairs	50,000
--------------------	--------

Fraser Institute

Vancouver, BC

General operating support	300,000
---------------------------	---------

Freedom House

Washington, DC

General operating support	100,000
---------------------------	---------

George Mason University Foundation

Fairfax, VA

Law and Economics Center judicial education programs	100,000
--	---------

Greater Indianapolis Progress Committee

Indianapolis, IN

Bicentennial planning initiative	1,000,000
----------------------------------	-----------

Harrison Center for the Arts

Indianapolis, IN

Video production, equipment and social media training	25,000
---	--------

Heartland Actors' Repertory Theatre

Indianapolis, IN

Production of <i>Taming of the Shrew</i>	25,000
--	--------

Heartland Truly Moving Pictures

Indianapolis, IN

General operating support	300,000
---------------------------	---------

Indiana Association for Community Economic Development

Indianapolis, IN

General operating support	175,000
---------------------------	---------

Indiana Association of United Ways

Indianapolis, IN

Program and operating support	7,190,000
-------------------------------	-----------

Indiana Grantmakers Alliance

Indianapolis, IN

General operating support	283,750
---------------------------	---------

Indiana Grantmakers Alliance Foundation

Indianapolis, IN

GIFT technical assistance for 2014	640,000
------------------------------------	---------

Internship program for Indiana community foundations	1,375,000
--	-----------

Indiana Historical Society

Indianapolis, IN

Textbook for Indiana's bicentennial	690,000
-------------------------------------	---------

Indiana Humanities

Indianapolis, IN

General operating support	134,000
---------------------------	---------

Indiana National Guard Relief Fund

Indianapolis, IN

Continuing support for Relief Fund grants and the Families First Initiative	900,000
---	---------

Indiana Office of Technology

Indianapolis, IN

Support for state data initiative	500,000
-----------------------------------	---------

Indiana Opera Society

Indianapolis, IN

General operating support	123,750
---------------------------	---------

Indiana Repertory Theatre

Indianapolis, IN

General operating support	300,000
---------------------------	---------

Indiana Sports Corp.

Indianapolis, IN

General operating support	500,000
---------------------------	---------

Indiana Symphony Society

Indianapolis, IN

General operating support	1,237,000
---------------------------	-----------

Production of Ravel's <i>Daphnis and Chloe</i>	40,000
--	--------

Indianapolis Art Center

Indianapolis, IN

Advertising and marketing campaign	50,000
------------------------------------	--------

General operating support	200,000
---------------------------	---------

Indianapolis Children's Choir

Indianapolis, IN

General operating support	150,000
---------------------------	---------

Indianapolis Downtown Inc.

Indianapolis, IN

Downtown strategic plan	50,000
-------------------------	--------

Indianapolis Jazz Foundation

Indianapolis, IN

Indy Jazz Fest	42,000
----------------	--------

Indianapolis Legal Aid Society

Indianapolis, IN

Development study	15,625
-------------------	--------

Indianapolis Museum of Art

Indianapolis, IN

Assessment and planning	200,000
-------------------------	---------

General operating support	500,000
---------------------------	---------

Indianapolis Neighborhood Housing Partnership

Indianapolis, IN

General operating and special program support	6,300,000
---	-----------

Indianapolis Neighborhood Resource Center

Indianapolis, IN

General operating support	250,000
---------------------------	---------

Indianapolis Zoological Society

Indianapolis, IN

General operating support	1,116,720
International Great Ape Center, Phase I	250,000

Intercollegiate Studies Institute

Wilmington, DE

General operating support	125,000
---------------------------	---------

International Center of Indianapolis

Indianapolis, IN

General operating and evaluation support	530,000
--	---------

Julian Center

Indianapolis, IN

Management information systems upgrades	37,360
---	--------

Keep Indianapolis Beautiful

Indianapolis, IN

General operating support	325,000
---------------------------	---------

Kurt Vonnegut Memorial Library

Indianapolis, IN

Armistice Day Arts Fair	35,000
-------------------------	--------

Local Initiatives Support Corp.

New York, NY

Indianapolis LISC program	500,000
---------------------------	---------

Madame Walker Urban Life Center

Indianapolis, IN

General operating support	500,000
---------------------------	---------

Manhattan Institute for Policy Research

New York, NY

General operating support	200,000
---------------------------	---------

National Center for Policy Analysis

Dallas, TX

General operating support	150,000
---------------------------	---------

New Harmony Project

Indianapolis, IN

General operating support	50,000
---------------------------	--------

Orthopedics Capital Foundation

Warsaw, IN

Continuation of OrthoWorx Initiative	7,500,000
--------------------------------------	-----------

People for Urban Progress

Indianapolis, IN

Capacity building	43,000
-------------------	--------

Political Economy Research Center

Bozeman, MT

General operating support	50,000
---------------------------	--------

Robert K. Greenleaf Center

Westfield, IN

Indiana Achievement Awards	10,000
----------------------------	--------

Sagamore Institute for Policy Research

Indianapolis, IN

General operating support	300,000
---------------------------	---------

Salvation Army

Alexandria, VA

Pathway of Hope initiative	4,807,105
----------------------------	-----------

Smithsonian Institution

Washington, DC

New gallery to exhibit coins and currency	200,000
---	---------

Social Philosophy and Policy Foundation

Bowling Green, OH

General operating support	100,000
---------------------------	---------

Tax Foundation

Washington, DC

General operating and supplemental support	125,000
--	---------

United Way of Central Indiana

Indianapolis, IN

2013 annual campaign	3,750,000
Agency Capital Projects Fund	10,000,000
Continuation of the Social Assets and Vulnerabilities Indicators (SAVI) community information system	522,000
Homelessness Targeted Initiatives Fund	602,225
Live Healthy Indy	1,000,000
Targeted Initiatives Fund	550,000

University of Southern Indiana

Evansville, IN

General operating support for the Historic New Harmony project	125,000
--	---------



USA International Harp Competition

Bloomington, IN

Program support	20,000
-----------------	--------

Wheeler Mission Ministries

Indianapolis, IN

Capital campaign	1,500,000
------------------	-----------

Workforce Inc. (dba RecycleForce)

Indianapolis, IN

Evaluation and equipment	100,000
--------------------------	---------

Young Audiences of Indiana

Indianapolis, IN

General operating support	200,000
---------------------------	---------

Holiday Assistance Fund

(23 grants ranging from \$2,000 to \$120,000)	400,000
---	---------

Catholic Charities Indianapolis

Community Action of Greater Indianapolis

Flanner House

Hall Temple Church of God in Christ

Healing Place

Indiana FOP Foundation

Indianapolis Jaycee Charities

Indianapolis Public Housing Agency

Indianapolis Urban League

Kingsley Terrace Church of Christ

La Plaza

Latino Community Development Corp.

Latter House Foundation

Life Line Community Center

Lutheran Child & Family Services of Indiana

Metro Baptist Center

Miracle Place

New Covenant Church

Project Concern Indianapolis

Rev. Richard Hunter Ministries

Salvation Army

United Way of Central Indiana

Westminster Neighborhood Ministries

PHILANTHROPY

Council on Foundations

Arlington, VA

2013 membership dues	55,000
----------------------	--------

Foundation Center

New York, NY

General operating support	125,000
---------------------------	---------



GuideStar USA

Williamsburg, VA

2013 membership dues	50,000
----------------------	--------

Independent Sector

Washington, DC

2013 membership dues	17,500
----------------------	--------

National Center for Family Philanthropy

Washington, DC

Family foundation leadership	50,000
------------------------------	--------

Philanthropy Roundtable

Washington, DC

General operating support	100,000
---------------------------	---------

Points of Light Foundation

Atlanta, GA

Terminal support for generationOn Schools project	360,000
---	---------

Subtotal

Community Development Grants	67,166,165
------------------------------	------------

Subtotal

Philanthropy Grants	757,500
---------------------	---------

Subtotal

Community Development and Philanthropy Discretionary Grants	98,000
--	--------

Total

Community Development and Philanthropy Grants	68,021,665
---	------------

Grant Approvals

Education and Youth

Dollar amount approved in 2013

American Indian College Fund

Denver, CO

Data collection and analysis initiative to promote student success	1,595,000
--	-----------

Caring for Military Families: The Elizabeth Dole Foundation

Washington, DC

Research on military caregivers	500,000
---------------------------------	---------

Central Indiana Corporate Partnership Foundation (CICP Foundation)

Indianapolis, IN

Indiana Biosciences Research Institute project	10,000,000
I-STEM Resource Network	746,908
Research, planning and pilot initiative regarding employment in IT sector	50,000
Southwest Central Indiana Regional Planning Grant, Phase II	650,000

Chi Omega Foundation

Memphis, TN

Mary Sturmon Lisher Endowed Leadership Development Fund, Sigma Epsilon Chapter, Vanderbilt University	100,000
---	---------

College Mentors for Kids

Indianapolis, IN

Support for executive leadership transition costs	25,000
---	--------

Community Partnerships

Fort Wayne, IN

College to Career Action Team support	375,000
---------------------------------------	---------

Day Nursery Association of Indianapolis

Indianapolis, IN

Capacity building and program support	1,000,000
---------------------------------------	-----------

Independent Colleges of Indiana

Indianapolis, IN

Lilly Endowment Community Scholarship Program for 2015	18,000,000
--	------------

Indiana Association of Public Education Foundations

Greenwood, IN

Fundraising training for Indiana K-12 education foundations, Round II	50,000
---	--------

Indiana Center for Family, School and Community Partnerships

Indianapolis, IN

Transitional support for Indiana Partnerships Center	150,000
--	---------

Indiana INTERNnet

Indianapolis, IN

General operating support	600,000
---------------------------	---------

Indiana State University

Terre Haute, IN

Extending Teacher Creativity 2014: A Summer Workshop for Teacher Creativity Fellows	105,118
---	---------

Indiana Student Financial Aid Association

Bloomington, IN

College Goal Sunday 2014	50,000
--------------------------	--------

Indianapolis-Marion County Public Library Foundation

Indianapolis, IN

Facility master plan	50,000
----------------------	--------

Indianapolis Urban League

Indianapolis, IN

Program support and leadership transition process	450,000
---	---------

Pi Kappa Alpha Foundation

Memphis, TN

Delta Xi Educational Facilities Grant Fund	100,000
--	---------

Private Academic Library Network of Indiana (PALNI)

Sharpsville, IN

Study of library print collection to reduce duplication and optimize space	225,000
--	---------

Project Lead the Way

Indianapolis, IN

Project Lead the Way program in Indiana	490,000
---	---------

Purdue Research Foundation

West Lafayette, IN

Bridge funding for Military Family Research Institute project	2,357,075
---	-----------

Rose-Hulman Institute of Technology

Terre Haute, IN

Renewal of PRISM website for Indiana's science, mathematics and technology teachers and students	950,000
--	---------

The Mind Trust

Indianapolis, IN

Continued support for Teach for America (Indianapolis) and other teacher and principal quality initiatives	3,420,000
--	-----------

United Negro College Fund

Washington, DC

Support for the UNCF Indiana Campaign	85,000
---------------------------------------	--------

Vanderbilt University

Nashville, TN

Mary Sturmon Lisher Scholarship Fund	300,000
--------------------------------------	---------

Initiative to Promote Opportunities Through Educational Collaborations, Round III

Grants for Indiana colleges and universities to enhance and expand opportunities for their college graduates to find meaningful employment in Indiana

(39 grants ranging from \$868,021 to \$5,000,000 based on size of enrollment)	62,737,049
---	------------

Ancilla College

Anderson University

Ball State University Foundation

Bethel College

Butler University

Calumet College of St. Joseph

DePauw University

Earlham College

Franklin College of Indiana

Goshen College

Grace College

Hanover College

Holy Cross College

Huntington University

Indiana Institute of Technology

Indiana State University Foundation

Indiana University Foundation

Indiana Wesleyan University

Ivy Tech Foundation

Manchester University

Marian University

Martin University

Oakland City University

Purdue Research Foundation

Rose-Hulman Institute of Technology

St. Joseph's College, Rensselaer

St. Mary-of-the-Woods College

St. Mary's College

Taylor University

Trine University

University of Evansville

University of Indianapolis

University of Notre Dame du Lac

University of Saint Francis

University of Southern Indiana Foundation

Valparaiso University

Vincennes University Foundation

Wabash College

Western Governors University

Teacher Creativity Fellowship Program

Competitive summer program for renewal of Indiana schoolteachers, principals and assistant principals, guidance counselors and library media specialists

(100 grants at \$10,000 each)	1,000,000
-------------------------------	-----------

YOUTH

Achieve International

Indianapolis, IN

Boxing equipment	14,640
------------------	--------

Asante Children's Theatre

Indianapolis, IN

Program enhancement and capacity building	50,000
---	--------

Center for Leadership Development

Indianapolis, IN

CLD College Prep Institute	250,000
----------------------------	---------

General operating support	275,000
---------------------------	---------

Central Indiana Community Foundation

Indianapolis, IN

Online grants management platform for Summer Youth Program Fund	25,000
---	--------

Children’s Bureau

Indianapolis, IN

Website development	30,750
---------------------	--------

Damar Services

Indianapolis, IN

Marketing and major gifts initiative	349,650
--------------------------------------	---------

Fathers and Families Resource/Research Center

Indianapolis, IN

General operating support	250,000
---------------------------	---------

Girls Inc.

New York, NY

Network Systems Implementation, Year II	400,000
---	---------

Girls Inc. of Greater Indianapolis

Indianapolis, IN

Strong, Healthy Relationships programs	300,000
--	---------

Indiana Black Expo

Indianapolis, IN

Youth and education programs	600,000
------------------------------	---------

Indiana Grantmakers Alliance Foundation

Indianapolis, IN

Youth Philanthropy Initiative of Indiana	140,000
--	---------

Indiana Youth Institute

Indianapolis, IN

Support for operations, organizational effectiveness grants and video	2,837,500
---	-----------

Indianapolis Art Center

Indianapolis, IN

SMART (Support Mentoring through ART) and Beyond Perceptions, 2013	32,000
--	--------

SMART (Support Mentoring through ART) and Beyond Perceptions, 2014	32,000
--	--------

Indianapolis Private Industry Council

Indianapolis, IN

Continuing support for the Youth Employment Services (YES) program	1,000,000
--	-----------

Indianapolis Urban League

Indianapolis, IN

Technical assistance	25,000
----------------------	--------

Jameson Camp

Indianapolis, IN

Youth leadership program staff support	50,000
--	--------

Kaleidoscope Church and Community Partnership

Indianapolis, IN

Strategic planning	24,092
--------------------	--------

Lutheran Child & Family Services of Indiana

Indianapolis, IN

Information technology upgrades	123,650
---------------------------------	---------

Marion County Commission on Youth

Indianapolis, IN

General operating support and technology upgrades	227,500
---	---------

National Urban Fellows

New York, NY

Support for a fellowship in Indianapolis, recruitment and marketing	57,500
---	--------

Outreach

Indianapolis, IN

Marketing awareness initiative	50,000
--------------------------------	--------

Peace Learning Center

Indianapolis, IN

Power of One and ACT Out programs	800,000
-----------------------------------	---------

Project Home Indy

Indianapolis, IN

Technology and marketing improvements	49,500
---------------------------------------	--------

Reach for Youth

Indianapolis, IN

Teen Court	50,000
------------	--------

Ronald McDonald House

Indianapolis, IN

Interior updates	50,000
------------------	--------

Ruth Lilly Health Education Center

Indianapolis, IN

Strategic planning, capacity building and transitional operating support	500,000
--	---------

United Way of Central Indiana

Indianapolis, IN

Kaleidoscope Church and Community Partnership	50,000
---	--------

Summer Youth Program Fund

Grants for organizations to provide summer activities for youth

(154 competitive grants to support 181 programs ranging from \$1,000 to \$227,035)	1,697,841
--	-----------

Adult & Child Center

Aftercare for Indiana Through Mentoring

Agape Therapeutic Riding Center
 American Diabetes Association, Indiana Affiliate
 Anglican Church of Resurrection
 Art With a Heart
 Asante Children's Theatre
 Athenaeum Turners School of Physical Education
 and the Performing Arts
 At-Your-School (AYS) Child Services
 Big Brothers Big Sisters of Central Indiana
 Bosma Industries for the Blind
 Boys & Girls Clubs of Indianapolis (5)
 Brebeuf Preparatory School
 Brightwood Community Center
 Broadway United Methodist Church
 Brooke's Place for Grieving Young People
 Burmese American Community Institute
 Butler University
 Camptown
 Catholic Charities Indianapolis (2)
 Catholic Youth Organization
 Children's Bureau
 Children's Museum of Indianapolis
 Christamore House
 Christel House Academy
 Claude McNeal's Musical Theatre Training Program
 Coburn Place Safe Haven
 Community Action of Greater Indianapolis
 Community Alliance of the Far Eastside (CAFE)
 Community Health Network Foundation
 Community Reading Understanding Learning
 and Education Corp.

Concord Center Association
 Corinthian Baptist Church
 Cosmo Knights Scholarship Fund
 Damar Services
 Dance Kaleidoscope
 Day Nursery Association of Indianapolis
 Dayspring Center
 Diabetic Youth Foundation of Indiana
 Dyslexia Institute of Indiana
 East Tenth United Methodist Children and Youth Center
 Ebenezer Missionary Baptist Church
 Edna Martin Christian Center
 Englishton Park Presbyterian Ministries
 Entrepreneurial Ventures in Education
 Felege Hiywot Center
 First-Meridian Heights Presbyterian Church (2)
 First Samuel Missionary Baptist Church
 Flanner House
 Fletcher Place Community Center
 Footlite Musicals
 Forest Manor Multi-Service Center
 Freetown Village
 Girl Scouts of Central Indiana
 Girls Inc.
 Good News Mission
 Gorgeous Ladies Acting Maturely (GLAM)
 Great Commission Church of God
 Happy Hollow Children's Camp
 Harrison Center for the Arts
 Hawthorne Social Service Association
 Health and Hospital Corp.





Health and Science Innovations
Hear Indiana
Hemophilia of Indiana
Indiana Amateur Baseball Association
Indiana Annual Conference of the United Methodist Church
Indiana Deaf Camps Foundation
Indiana Golf Foundation
Indiana Latino Institute
Indiana Performing Arts Centre
Indiana School for the Deaf
Indiana Sports Corp.
Indiana State Museum Foundation
Indiana University Foundation
Indianapolis Algebra Project
Indianapolis Art Center
Indianapolis Children's Choir
Indianapolis Interfaith Hospitality Network
Indianapolis-Marion County Public Library Foundation
Indianapolis Museum of Art
Indianapolis Parks Foundation (5)
Indianapolis Public Housing Agency
Indianapolis Soap Box Derby Association
Jackson Center for Conductive Education
James Whitcomb Riley Memorial Association (dba Riley Children's Foundation)
Jameson Camp
John H. Boner Community Center
Julian Center

Just the Beginning Foundation
Kaleidoscope Church and Community Partnership
Keep Indianapolis Beautiful
La Plaza (2)
Lawrence United Methodist Church
LifeBridge Community
Lillian Davis Foundation
Little Red Door Cancer Agency
Lutheran Child & Family Services of Indiana
Madame Walker Urban Life Center
Marian University
Marion County Commission on Youth (2)
Martin Luther King Multi-Service Center
Mary Rigg Neighborhood Center
Metro Ministries
Metropolitan School District of Perry Township
Metropolitan School District of Pike Township
Metropolitan School District of Washington Township
Mission Indy
Montessori Educational Charity
Mt. Moriah Missionary Baptist Church
Muscular Dystrophy Association
Music for All
National Junior Tennis League of Indianapolis
Net Literacy Corp. (dba Senior Connects Corp.)
New Covenant Church
Noble of Indiana
Northside New Era Community Outreach

National Society of Hispanic MBA's Foundation
 Oaks Academy
 Oasis Christian Community Development Corp.
 100 Black Men of Indianapolis
 Pathway Resource Center
 Peace Learning Center
 People's Burn Foundation
 Philharmonic Orchestra of Indianapolis
 Project SEED
 Promise Land Christian Community Church
 Purdue University
 Ruth Lilly Health Education Center
 St. Florian Center
 St. John's Community Care Services
 St. Richard's School
 St. Vincent Hospital Foundation
 Salvation Army (3)
 Saturday Evening Post Society
 School on Wheels
 Shepherd Community (2)
 Social Health Association of Indiana
 Southeast Community Services
 Speedway Baptist Church
 Speedway United Methodist Church
 Stacey Toran Foundation
 Storytelling Arts of Indiana
 Symphonic Youth Orchestra of Greater Indianapolis
 Trinity House Academy
 Urban Arts Consortium of Indianapolis
 VSA Indiana
 Westminster Neighborhood Ministries
 Writers' Center of Indiana (dba Indiana Writers Center)
 YMCA of Indianapolis (13)
 Young Audiences of Indiana
 Young Life Indianapolis Urban
 Youth Outdoor Exploration Academy
 Zion Hill Missionary Baptist Church

Edna Martin Christian Center
 Englishton Park Presbyterian Ministries
 First Samuel Missionary Baptist Church
 Forest Manor Multi-Service Center
 Great Commission Church of God
 Happy Hollow Children's Camp
 Hawthorne Social Service Association
 Indiana Annual Conference of the
 United Methodist Church
 Indiana Deaf Camps Foundation
 Indiana State Museum Foundation
 Indianapolis Art Center
 Indianapolis-Marion County Public Library Foundation
 Jameson Camp
 Kaleidoscope Church and Community Partnership
 Marion County Commission on Youth
 Mary Rigg Neighborhood Center
 Montessori Educational Charity
 Mt. Moriah Missionary Baptist Church
 New Covenant Church
 Pathway Resource Center
 Peace Learning Center
 St. Richard's School
 Speedway Baptist Church
 Zion Hill Missionary Baptist Church

Subtotal

Education Grants	106,161,150
------------------	-------------

Subtotal

Youth Grants	10,843,782
--------------	------------

Subtotal

Education and Youth Discretionary Grants	120,850
--	---------

Total

Education and Youth Grants	117,125,782
----------------------------	-------------

Summer Youth Program Fund

Capital project grants for organizations to improve
 capacity to conduct summer programs
 (35 competitive grants ranging from \$1,302 to \$25,000)

502,159

Art With a Heart
 Brightwood Community Center
 Butler University
 Catholic Charities Indianapolis
 Children's Bureau
 Christamore House
 Christel House Academy
 Concord Center Association
 Diabetic Youth Foundation of Indiana
 Dyslexia Institute of Indiana
 East Tenth United Methodist Children and
 Youth Center



Religion

Grant Approvals

Dollar amount approved in 2013

Association of American Colleges

Washington, DC

Support for special issue of *Liberal Education* 25,000

Association of Theological Schools

Pittsburgh, PA

Coordination program for Theological School Initiative to Address Economic Challenges Facing Future Ministers 1,750,000

Boston University

Boston, MA

Completion of Howard Thurman Papers Project 250,294

Bureau of Jewish Education

Indianapolis, IN

Support for the enhancement and expansion of the Holocaust Education Program 50,000

Butler University

Indianapolis, IN

Support for program on sacred texts, religion and the arts 148,500

Calvin College

Grand Rapids, MI

Programs to complement and support the Initiative to Strengthen the Quality of Preaching 749,910

Center for Interfaith Cooperation

Indianapolis, IN

Festival of Faiths project 25,000

Center for Youth Ministry Training

Brentwood, TN

Theology Together youth ministry project 240,000

Children's Museum of Indianapolis

Indianapolis, IN

Support for Sacred Journeys project on world religions 1,250,000

Christian Theological Seminary

Indianapolis, IN

Support for Lilly Endowment Indiana and National Clergy Renewal Programs for 2014 7,769,501

Support for Lilly Endowment Indiana and National Clergy Renewal Programs for 2015 7,500,000

City Seminary of New York

New York, NY

Practices of Ministry in the City Project 498,400

Council of Independent Colleges

Washington, DC

Support for the Network for Vocation in Undergraduate Education program 5,509,978

Davidson College

Davidson, NC

Study of worship practices in Latino Protestant churches in the United States 399,998

Duke University

Durham, NC

Dissemination of findings from two major studies about Christian congregations and pastoral leadership 350,000

Emory University

Atlanta, GA

Project to examine the basic aims and purposes of theological education 460,091

Fuller Theological Seminary

Pasadena, CA

Churches Engaging Young People Project 600,000

Fund for Theological Education

Decatur, GA

Coordination program for Theological Exploration of Vocation for Campus Ministry Initiative 919,975

Strategic initiatives to build networks for cultivating a new generation of Christian leaders 6,500,000

Indiana University Foundation

Bloomington, IN

Support for Spirit & Place Civic Festival	400,000
---	---------

Indianapolis Center for Congregations

Indianapolis, IN

Congregational Resource Guide project	885,000
Continuing support for project to strengthen evaluation practices of religion division grantees	1,250,000

Institute for Ecumenical and Cultural Research

Collegeville, MN

Continuing support for Collegeville Institute Seminars project	1,498,090
Support for research and writing project on congregational asset-based outreach ministries	50,000

Interdenominational Theological Center

Atlanta, GA

Strategic planning for leadership transition project	50,000
--	--------

Ohio State University Foundation

Columbus, OH

Religious Leadership and Diversity Project	493,101
--	---------

Partners for Sacred Places

Philadelphia, PA

Strategic Investment in Sacred Places program	750,000
---	---------

Pew Charitable Trusts

Philadelphia, PA

U.S. Religious Landscape Survey project	1,000,000
---	-----------

Princeton Theological Seminary

Princeton, NJ

Christian Youth Discipleship project	1,121,983
--------------------------------------	-----------

St. Paul Lutheran Church

Davenport, IA

Continuation of pastoral residency program	750,000
--	---------

Samaritan Institute

Denver, CO

Support for Military Chaplains and Veterans Reintegration programs	699,200
--	---------

Second Presbyterian Church

Indianapolis, IN

175th Anniversary Campaign	250,000
----------------------------	---------

Texas Methodist Foundation

Austin, TX

Resourcing Congregations project	1,000,000
----------------------------------	-----------

THIRTEEN

New York, NY

Support for the 17th season of <i>Religion & Ethics NewsWeekly</i>	4,200,000
--	-----------

Union Presbyterian Seminary

Richmond, VA

Continuing support for Communities of Learning project	355,755
--	---------

Valparaiso University

Valparaiso, IN

Continued support for Lilly Graduate Fellows Program	1,197,460
Support for conference on the impact of the Lilly Fellows Program in Humanities and the Arts	25,000

Wesley Theological Seminary

Washington, DC

Large Church Leadership Project	750,000
---------------------------------	---------

Whitworth University

Spokane, WA

Ekklesia project on congregational resourcing	1,000,000
---	-----------

YMCA of Indianapolis

Indianapolis, IN

Support for new chaplaincy program	150,000
------------------------------------	---------



Campus Ministry Theological Exploration of Vocation Programs

Programs that help campus ministries at public universities develop and expand their vocational discernment programs (21 grants ranging from \$45,000 to \$100,000)

2,019,080

Christian Student Foundation at Ball State University
 Christian Study Center of Gainesville at University of Florida
 Cooperative Christian Ministry in Higher Education at University of North Carolina
 Ecumenical Campus Ministry at Kansas State University
 Hill House Ministries at University of Texas
 Lutheran Campus Ministry at University of Arizona
 Lutheran Campus Ministry-Twin Cities at University of Minnesota
 Nebraska Lutheran Campus Ministry at University of Nebraska
 Purdue Christian Campus House at Purdue University
 St. Mary's Catholic Church at Texas A&M University
 St. Paul Catholic Center at Indiana University
 St. Paul University Catholic Foundation at University of Wisconsin
 St. Thomas Aquinas at Purdue University
 State College Presbyterian Church at Pennsylvania State University
 University Christian Ministries at University of Virginia
 University Lutheran Church at Clemson University
 University Presbyterian Church at University of North Carolina
 University Presbyterian Church at University of Washington
 Virginia State University Foundation at Virginia State University
 Wesley Foundation at Florida State University and Tallahassee Community College
 West Central Baptist Association at Indiana State University



Initiative to Strengthen the Quality of Preaching

Programs to strengthen the quality of preaching in Christian congregations (8 grants ranging from \$405,816 to \$500,000)

3,905,799

Aquinas Institute of Theology, St. Louis
 Calvin Theological Seminary, Grand Rapids, Mich.
 Denver Seminary, Littleton, Colo.
 Princeton (N.J.) Theological Seminary
 Samford University, Birmingham, Ala.
 Southern Methodist University, Dallas
 Vanderbilt University, Nashville, Tenn.
 Western Theological Seminary of the Reformed Church in America, Holland, Mich.

Early Career Pastoral Leadership Development Programs

Programs for pastors in the early stages of their careers that strengthen their leadership skills and capacities by bringing them into direct conversation with civic and business leaders to explore major challenges facing their communities (9 grants ranging from \$475,698 to \$500,000)

4,465,642

Chautauqua (N.Y.) Institution
 Gordon-Conwell Theological Seminary, South Hamilton, Mass.
 Morehouse College, Atlanta
 Pepperdine University, Malibu, Calif.
 Seattle University School of Theology and Ministry
 Union Theological Seminary, New York
 University of Chicago
 Wabash College, Crawfordsville, Ind.
 Wake Forest University, Winston-Salem, N.C.

Theological Schools Initiative to Address Economic Challenges Facing Future Ministers

Programs that help theological schools examine and strengthen their financial and educational practices to improve the economic well-being of future pastoral leaders (49 grants to support 51 programs ranging from \$102,950 to \$250,000)

12,361,353

Anabaptist Mennonite Biblical Seminary, Elkhart, Ind.
 Anderson (Ind.) University

Andover Newton Theological School, Newton Centre, Mass.
Aquinas Institute of Theology, St. Louis
Ashland (Ohio) University
Baylor University, Waco, Texas
Bethany Theological Seminary, Richmond, Ind.
Biola University, La Mirada, Calif.
Boston University
Brite Divinity School, Ft. Worth, Texas
Calvin Theological Seminary, Grand Rapids, Mich.
Central Baptist Theological Seminary, Shawnee, Kan.
Concordia Theological Seminary, Ft. Wayne, Ind.
Cornerstone University, Grand Rapids, Mich.
Denver Seminary, Littleton, Colo.
Duke University, Durham, N.C.
Earlham College, Richmond, Ind.
Eastern Cluster of Lutheran Seminaries
 Lutheran Theological Seminary, Gettysburg, Pa.
 Lutheran Theological Seminary, Philadelphia
 Lutheran Theological Southern Seminary of
 Lenoir-Rhyne University, Columbia, S.C.
Eden Theological Seminary, St. Louis
Episcopal Divinity School, Cambridge, Mass.
Episcopal Theological Seminary of the Southwest,
Austin, Texas
Fuller Theological Seminary, Pasadena, Calif.
Howard University, Washington
Iliff School of Theology, Denver
Lexington (Ky.) Theological Seminary

Louisville (Ky.) Presbyterian Theological Seminary
Luther Seminary, St. Paul, Minn.
Lutheran School of Theology, Chicago
Nazarene Theological Seminary, Kansas City, Mo.
New Brunswick (N.J.) Theological Seminary
New Orleans Baptist Theological Seminary
New York Theological Seminary
North American Baptist Seminary
 aka Sioux Falls (S.D.) Seminary
Northern Baptist Theological Seminary, Lombard, Ill.
Oblate School of Theology, San Antonio
Payne Theological Seminary of Wilberforce, Ohio
Regent University, Virginia Beach, Va.
Seattle University School of Theology and Ministry
Southern Methodist University, Dallas
Trinity International University, Deerfield, Ill.
United Theological Seminary, Dayton, Ohio
United Theological Seminary of the Twin Cities,
New Brighton, Minn.
University of the South, Sewanee, Tenn.
Vanderbilt University, Nashville, Tenn.
Wake Forest University, Winston-Salem, N.C.
Wartburg Theological Seminary, Dubuque, Iowa
Western Theological Seminary of the Reformed
Church in America, Holland, Mich.
Winebrenner Theological Seminary, Findlay, Ohio
Yale University, New Haven, Conn.



Subtotal	
Religion Grants	75,624,110
Subtotal	
Religion Discretionary Grants	15,000
Total	
Religion Grants	75,639,110
Grand Total – All Divisions	
Incentive Grants for Employee Giving	7,184,856
Total – All Grants Approved*	267,971,413
* Reconciliation to Financial Statements	
To reconcile the total of all grants approved with the financial statements, the following adjustments must be made:	
Adjustments for decommitments	(2,364,270)
Adjustments for refunds	(348,071)
Net Total – Grant Approvals	265,259,072

Grant Guidelines and Procedures

Lilly Endowment receives several thousand grant requests each year, but we can fund only a small percentage of many worthwhile proposals. These guidelines, formulated over the years by our founders and the Endowment's Board of Directors, govern our grantmaking decisions.

Areas of interest

We consider proposals in three program areas: community development, education and religion. We also are interested in initiatives that benefit youth and promote the causes of philanthropy and volunteerism.

Community Development

Our community development grantmaking focuses primarily on enhancing the quality of life in Indianapolis and Indiana. We grant funds for human and social needs, central-city and neighborhood revitalization, low-income housing, and arts and culture in Indianapolis.

On a statewide level, we routinely offer initiatives to support community foundations and United Ways.



Education

Our education grantmaking revolves primarily around our interest in improving education in Indiana, with special emphasis on higher education and on programs designed to increase the percentage of Indiana residents with bachelor's degrees. We support a number of invitational grant programs, many of which are aimed at the abilities of Indiana's colleges and universities to increase the state's educational attainment level.

We also support on an invitational basis programs that enhance higher education opportunities for African Americans, Native Americans and Hispanic Americans throughout the country.

Religion

Our primary aim in this field is to deepen and enrich the religious lives of American Christians, principally by supporting efforts to encourage, support and educate a new generation of talented pastors and to strengthen current pastors in their capacities for excellence in ministry.

We seek to help congregations be vibrant, healthy communities of faith, and we encourage efforts that make available and accessible the

wisdom of the Christian tradition for contemporary life. We support theological seminaries and other educational and religious institutions that share these aims. We also support projects that strengthen the contributions that religious ideas, practices, values and institutions make to the common good of our society.



Youth and Philanthropy

Besides grantmaking in our three principal areas of community development, education and religion, the Endowment also awards grants in support of youth development and to advance and study philanthropy and the nonprofit sector.

Our youth grants support direct-service organizations in Marion County, Ind., build the capacity of intermediary organizations throughout the state, and provide professional development for the staffs and volunteer leadership of these organizations.

Regarding philanthropy, we seek to support and nurture good stewardship among the trustees and executives of charitable organizations by providing occasional funding for research on the governance and effectiveness of nonprofit organizations. We also support efforts to advance philanthropy by supporting selective research projects and educational programs focused on charitable giving and fundraising.

Geographic priorities

In keeping with the founders' wishes, the Endowment gives priority to efforts that improve the quality of life in Indianapolis and Indiana.

This priority applies to grants for community development and elementary/secondary education. Exceptions include occasional funding for national programs that complement or relate to our work in Indiana.

The Endowment's interest in higher education extends to Indiana colleges and universities and nationwide to historically black colleges, Native American colleges and programs to increase access to college by Hispanic Americans. Grants to institutions of higher learning outside Indiana generally are restricted to programs offered by the Endowment on an invitational basis. Our work in religion is national in scope, as is our support relating to philanthropy and the nonprofit sector.

Grants for international purposes are limited to a few United States-based economics and public policy programs affecting North and South American countries.

Limitations

The Endowment generally does not support the following:

- ☐ Loans or cash grants to private individuals. Most grant money is awarded to charitable entities. We do not assist individuals with personal or business-related finances.
- ☐ Requests to discharge preexisting debts of individuals or organizations.
- ☐ Healthcare projects.
- ☐ Mass media projects. The Endowment does not typically fund mass media projects and limits consideration to projects that fall squarely within our specific program areas.
- ☐ Endowments or endowed chairs. The Endowment targets its grants for specific purposes. Except in unusual cases involving longstanding grantees or special initiatives, we do not contribute to endowments or endowed chairs.
- ☐ Libraries. Except for special initiatives, the Endowment regularly declines grants to public libraries outside Marion County, Ind.
- ☐ Outside Indianapolis. Requests usually are declined for building campaigns, elementary/secondary education, arts and culture, human service projects, general operating funds and neighborhood projects (except as part of invitational grant programs).

Application process

If you believe your charitable organization has a request that fits within our guidelines, we suggest that you write us a preliminary letter of no more than two pages. The letter should tell us about your organization, the project you have in mind and the amount of support you will need from us. We respond in writing to all preliminary inquiries. In cases that warrant further consideration, we may ask you to furnish a full proposal. E-mailed or faxed proposals will not be considered.

For arts and cultural organizations in Marion County, Ind. Several local grantmaking foundations have collaborated on the development of a shared grant application form. This

form was developed in consultation with leaders of local arts and cultural organizations with a goal of making fundraising efforts more efficient. The Shared Grant Application Form may be used to apply for general operating support. For specific project requests, the Project Grant Attachment Form may be completed along with the Shared Grant Application Form. While Lilly Endowment will accept these shared forms from local arts and cultural organizations, applicants are not required to use them, and the Endowment reserves the right to request additional information. Links to the forms are on the Endowment's website.

Approval process

A program director generally reviews grant proposals. Those that meet the criteria for consideration proceed to the appropriate division for review, then to the corporate officers, and finally to the Board of Directors. The Board of Directors considers grants in March, June, September, November and December. The grant review process takes three to six months. All grantseekers receive written notification of our decisions.

Please direct correspondence to:



Program Office
Lilly Endowment Inc.
2801 N. Meridian St.
Post Office Box 88068
Indianapolis, IN 46208-0068

Telephone: 317/924-5471
Website: lillyendowment.org



Acknowledgments

Design and Production
David Stahl

Photography
Chris Minnick

PAGE 5: Courtesy of Naval Support
Activity Crane

PAGE 6: Courtesy of Cook Group

PAGE 16: Courtesy of University of
Southern Indiana

PAGE 17: Courtesy of Apparatus

PAGE 18: Courtesy of TechPoint

PAGES 21-22: Courtesy of North Park University
and Association of Theological Schools

PAGE 25: Courtesy of Gordon-Conwell
Theological Seminary

PAGES 47, 49: Courtesy of St. John's School
of Theology Seminary

Writing
Holly G. Miller
Alicia Dean Carlson

Editing
Jean B. Rose

Printing
Mossberg & Company Inc.

The city of Indianapolis has a rich history of planning, and many organizations are coming together to create a comprehensive plan for Indy's future that

will coincide with the city's bicentennial anniversary in 2020. The Greater Indianapolis Progress Committee will coordinate this two-year inclusive planning initiative, enabled by a \$1 million grant from the Endowment and significant funding and in-kind support from the city. The Department of Metropolitan Development will provide subject matter and planning experience. To accommodate the large number of public and private sector groups and individuals who will participate in this initiative, the old Indianapolis city hall is being renovated, with partial support from the Central Indiana Community Foundation, and will serve as a planning center, meeting facility and public display space. Above, community leaders convene in the building's atrium to map out the planning process.





Please direct correspondence to:

Program Office

Lilly Endowment Inc.

2801 N. Meridian St.

P.O. Box 88068

Indianapolis, IN 46208-0068

Telephone: 317/924-5471

Website: lillyendowment.org